



Daily Report

East Asia

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2-Day Security Conference Held in Singapore

Singapore's Wong Views ASEAN

BK2303101189 Kuala Lumpur BERNAMA in English
0936 GMT 23 Mar 89

[By A. Karim Shukor]

[Text] Singapore, March 23 (OANA-BERNAMA)—Singapore Foreign Minister Wong Kang Seng said Thursday ASEAN will need new rallying points after the resolution of the Kampuchea problem or risk drifting apart to the detriment of regional cooperation and bilateral relations.

Speaking at the opening of a two-day international defence forum here, he said ASEAN could face new stresses when the Kampuchean problem, which held the organisation together, was resolved.

Wong said Vietnam, which had shown interest in joining the regional organisation, could change the character of ASEAN and jeopardise further ASEAN cooperation, and there should be consensus among the six members on this issue.

He also said it was unlikely that there would be greater ASEAN military cooperation, adding that the organisation was not a security organisation and thus it would not become one.

However, he added, there was a place for military cooperation outside the ASEAN framework. Economic cooperation among the ASEAN countries had important security implications in the new security environment.

"Given the more fluid, ambiguous and complex environment of interlocking interests and overlapping relationships that is emerging in Southeast Asia, it may no longer be realistic to expect all six countries to always define their national interests in a common overarching manner on any specific issues", he said.

The forum is being attended by more than 200 military officials from the Asia-Pacific region.

Various Views on Regional Security

BK2403075389 Kuala Lumpur BERNAMA in English
0705 GMT 24 Mar 89

[By A. Karim Shukor]

[Text] Singapore, March 24 (OANA-BERNAMA)—The South China Sea, Thailand's ties with the Phnom Penh regime and the United States' military presence in this part of the world were major issues discussed at the two-day conference towards greater ASEAN military and security prospects that ended Friday.

The commander of the Malaysian Maritime Enforcement Coordination Centre, Commodore Ahmad Ramli Nor, had suggested the division of Southeast Asia for better policing by ASEAN navies and also the division of duties along NATO lines.

These "zones of control" could be demarcated by mutual consultation and then administered separately by the six ASEAN navies, he said, adding that in areas where no one single ASEAN navy could do the job, bilateral efforts could be introduced.

"Even Indonesia, which has the most powerful navy, does not possess the capability to control Southeast Asia," he said, and stressed that ASEAN navies which were weak in air, submarine and anti-submarine warfare should copy the division of labour practised by NATO.

Common weapons and doctrines were also areas where more could be done, he said, however acknowledging that there were practical and political problems standing in the way of closer military ties.

Of the 15 possible maritime boundaries in the South China Sea excluding the Gulf of Thailand, 12 are in dispute and these are over islands in the area such as the Spratlys as well as demarcation of maritime economic zones.

Besides several ASEAN countries, the conflicts involved other states such as Vietnam and China. So far, ASEAN countries which have concluded agreements on maritime boundaries are Malaysia with Indonesia.

A Thai political scientist, Prof Likhit Thirawekhin, said no ASEAN countries would object to the declaration by the Thai Prime Minister Gen Chatchai Chunhawan to turn Indochina from a battlefield to a marketplace.

But his initiative in inviting Hun Sen, prime minister of the Phnom Penh regime, to visit Bangkok in January was bad timing as Vietnamese troops were still occupying Kampuchea, he said.

Prof Likhit felt that Thailand should have taken an ASEAN instead of a bilateral approach towards Hanoi and Phnom Penh and he believed that Bangkok was unilaterally approaching the Indochinese countries because it needed more markets as the Thai economy was doing well.

An Indonesian scholar from the Centre for Strategic and International Studies in Jakarta, Dr J. Sujati Siwandono, said that it was in the security interests of Southeast Asian nations to see the U.S. maintain its military presence in the Asia Pacific region.

He said that the U.S. could act as counterbalance against the Soviet presence in the region, adding that it made more sense to say that the presence of U.S. bases held the "balance of power" in this area because Soviet acquisition of military bases in Vietnam had challenged the U.S. preponderance in the region.

Dr Sujati said the U.S. should maintain its security ties with Japan as this would discourage the latter from developing a military capability of its own.

"And in this light, the Southeast Asian nations should see their interests in the increasing security role of Japan in the context of burden-sharing with the U.S.," he said.

Japan

Discussions on FSX Project With U.S. Continue
*OW2403042989 Tokyo KYODO in English 0011 GMT
23 Mar 89*

[Text] Washington, March 23 KYODO—Senior Japanese and U.S. officials met Thursday to discuss their differences over how to proceed with a bilateral agreement on codevelopment of a new Japanese fighter plane, codenamed the FSX.

Japanese Ambassador Nobuo Matsunaga said after a 40-minute high-level meeting at the State Department, "We agreed to continue meeting."

He was accompanied by Vice Defense Minister Seiki Nishihiro, who was carrying a Japanese response to President George Bush's proposals on clarifications of the FSX pact concluded last year.

Meeting with the Japanese team were Secretary of State James Baker, Commerce Secretary Robert Mosbacher, and Bush's National Security Adviser Brent Scowcroft.

"We had discussions," Scowcroft told reporters after the meeting, which was preceded by a separate and similarly brief session between the Japanese and new Defense Secretary Richard Cheney.

Nishihiro arrived here earlier in the day, carrying a letter to Bush from Prime Minister Noboru Takeshita, sources said.

Both leaders have expressed a desire to proceed with the FSX program, which calls for codeveloping an advanced version of General Dynamics' F-16 fighter.

But Bush, under pressure from the Commerce Department and some members of Congress, is seeking "clarifications" to safeguard vital U.S. technologies such as "source codes" or computer software to enable the military aircraft to maneuver, and to secure a share of the production work.

White House spokesman Marlin Fitzwater told reporters that the two countries are trying to work out "an acceptable arrangement."

Japan agreed to codevelop the FSX with the U.S. after being pressured by Washington to drop its original plan to develop its own support fighter plane.

Defense Chief Urges Start-Up
*OW2403051489 Tokyo KYODO in English 0420 GMT
24 Mar 89*

[Text] Tokyo, March 24 KYODO—Defense Agency Director General Kichiro Tazawa renewed his call on Friday for a swift start on a Japan-U.S. project to jointly develop and produce Japan's next-generation support fighter, codenamed FSX.

Tazawa, state minister for defense, urged the United States to abide by the memorandums of understanding (MOU) on joint development of the fighter, which were signed and exchanged in November 1988. The contents of the pact have not been made public.

Tazawa told a news conference that he had received a report that talks on the project between Vice Defense Minister Seiki Nishihiro and American officials in Washington on Thursday were "tough."

The United States has proposed that the two countries exchange an additional diplomatic document to make what U.S. President George Bush calls "certain clarifications," according to Defense Agency sources.

Nishihiro flew to Washington on Thursday in a last-minute effort to have the FSX project start before the end of Japan's current fiscal year on March 31.

U.S. congressional opponents of the project say the technology transfer it would involve might help boost Japan's competitiveness in the aircraft industry.

Last October, Japan and the United States agreed to jointly develop the FSX—based on General Dynamics' F-16 fighter—as Japan's next mainstay support fighter replacing the F-1 aircraft, which was domestically produced in Japan.

Japan's Air Self-Defense Force plans to start a maiden flight of the FSX in the summer of 1993, begin production in 1994, and to deploy a total 130 aircraft.

Development costs are expected to total 165 billion yen while production costs are estimated at 5.15 billion yen per plane.

Bank of Japan Head To Visit U.S., Europe
*OW2403093589 Tokyo KYODO in English 0826 GMT
24 Mar 89*

[Text] Tokyo, March 24 (KYODO)—The Bank of Japan announced Friday that Gov. Satoshi Sumita will leave Tokyo April 1 on a 12-day visit to the United States and Western Europe.

The announcement said Sumita will attend a series of international monetary meetings opening in Washington next week, including a session of central governors and finance ministers from the Group of Seven (G-7) industrial democracies April 2.

The gathering of the G-7 officials is expected to set the tone for a meeting April 3 of the policy-making interim committee of the International Monetary Fund (IMF).

Sumita will travel on to Britain and Belgium to meet with his counterparts of the two countries, it said.

He will then attend a monthly session of the Bank for International Settlements (BIS), in Basel, Switzerland, April 10.

Rogachev Suggests Deferment of Territories Issue

Official Responds to Rogachev Remarks

OW2403131789 Tokyo NHK General Television
Network in Japanese
1000 GMT 24 Mar 89

[Text] Soviet Deputy Foreign Minister Igor Rogachev, who is currently visiting Japan, held a news conference today and disclosed that at the Japanese-Soviet vice-ministerial consultations held on 22 March, the Soviet side touched on the northern territorial issue and indicated its idea of shelving the issue on the so-called territorial right to the northern territories. At the conference, Deputy Foreign Minister Rogachev said: The Soviet delegation referred to the Senkaku Islands issue between Japan and China and also the Takeshima Island issue between Japan and South Korea. The solution to both issues have been postponed until the future while good-neighborly relations have been maintained. We feel it is a wise and correct solution. This is what Deputy Foreign Minister Rogachev has stated. Meanwhile, it is observed that his statement indicates that the Soviet Union wants to shelve the issue concerning the right to the northern territories.

Concerning this statement, a top official of the Foreign Ministry said that the Senkaku Island issue with China or the Takejima island issue with Korea have their own historical backgrounds and should not be compared with the northern territorial issue, and that there is no change in the fact that to truly improve the relations between Japan and the Soviet Union, it is most essential that the northern territorial issue should be first settled. He indicated that Mr Rogachev's statement is totally unacceptable.

Further Report

OW2403121989 Tokyo KYODO in English 1145 GMT
24 Mar 89

[Text] Tokyo, March 24 (KYODO)—Deputy Soviet Foreign Minister Igor Rogachev on Friday hinted at having proposed to Japan the shelving of a Japanese-Soviet territorial dispute for settlement by future generations.

A top-level Japanese Foreign Ministry official confirmed Rogachev made the proposal but said Japan had turned it down.

Rogachev, meeting reporters at the Soviet Embassy, said he had referred, during talks with Japan's Deputy Foreign Minister Takakazu Kuriyama on Tuesday, to Japan's stance toward its territorial disputes with China and South Korea.

Rogachev, here since Sunday [19 March] on a week-long visit for talks with Japanese officials, told the reporters that Japan and China have reached an agreement to defer to the future the settlement of a difference over an island group. It is a clever and proper method of settlement, he said.

Japan has shown a similar approach toward a rift with South Korea over the ownership of a rocky island lying between them, he said.

The deferral has had no major adverse effect on bilateral ties between the two countries, Rogachev said.

Rogachev said that, if there is a flexible approach, political will and national wisdom, the territorial problem will be solved without damaging inter-state relations.

The Japanese Foreign Ministry official, talking with reporters on condition of anonymity, said the nature of the territorial dispute with the Soviet Union sharply differs from those with China and South Korea in terms of historical background.

Rogachev said that three days of discussion with Kuriyama between Sunday and Tuesday contributed to deepening mutual understanding between Japan and the Soviet Union.

Through the talks the two countries have gained deep knowledge of each other's stance on the Soviet-held four islands off Hokkaido.

Following two days devoted to international and bilateral affairs, Rogachev and Kuriyama held negotiations toward conclusion of a bilateral peace treaty, chiefly differences in the territorial dispute.

Japan has long called on the Soviet Union to return the four islands—Kunashiri, Etorofu, Shikotan and the Habomais—which the Soviet Union seized at the end of World War II.

Besides the territorial dispute with the Soviet Union, Japan also is at odds with China over the Senkaku Islands group, located 350 kilometers from Okinawa. The islanders are called the Diaoyutai in China.

The dispute with South Korea involves Takeshima Island, called Dokdo Island in South Korea, lying in the Sea of Japan between the two countries.

In 1978, Japan and South Korea agreed to continue territorial negotiations over Takeshima Island.

In the same year, Japan and China also shelved their dispute over the Senkaku Islands after Chinese fishing boats staged a demonstration around the islands.

Uno Advises Political Dialogue With USSR
*OW2403064589 Tokyo KYODO in English 0547 GMT
24 Mar 89*

[Text] Tokyo, March 24 KYODO—Japanese Foreign Minister Sosuke Uno on Friday called for promoting Japan-Soviet relations step by step through political dialogue, Foreign Ministry officials said.

Uno told Deputy Soviet Foreign Minister Igor Rogachev in a 40-minute meeting in Tokyo that "a new bud" of improvement of bilateral relations had begun growing since last December, when Soviet Foreign Minister Eduard Shevardnadze came to Tokyo.

Rogachev welcomed the steady progress in Soviet-Japanese dialogue and said that the two countries should make efforts to raise the "new bud" to a tree.

The Soviet official, here since Sunday [19 March] on a week-long visit, held 3 days of talks from Sunday to Tuesday with his Japanese counterpart Takakazu Kuriyama.

On Tuesday, Rogachev and Kuriyama held negotiations on the conclusion of a bilateral peace treaty but the two remained apart over Japan's long-standing call for the return of four islands off Hokkaido, which the Soviet Union occupied after the end of World War II.

The Foreign Ministry officials quoted Uno as saying that the two countries should promote dialogue and establish a good atmosphere to pave the way for a visit to Japan by Soviet leader Mikhail Gorbachev.

Uno told Rogachev that efforts for the conclusion of the peace treaty are indispensable to put Japan-Soviet relations on a stable course.

The Japanese foreign minister proposed that Japan and the Soviet Union hold the next session of vice ministerial talks on the peace pact in Moscow before or during his planned visit to the Soviet Union, scheduled for late April to early May.

The establishment of the vice-ministerial working group on the peace pact was agreed upon during talks between Uno and Shevardnadze in Tokyo last December.

Rogachev replied that the Soviet Union will consider Uno's proposal positively, the officials said.

According to a tentative itinerary, Uno is scheduled to fly to Moscow on April 30 and visit Shevardnadze's native Soviet Georgia the following day.

He will come back again to Moscow for talks with Shevardnadze on May 3 and 4. After that, Uno will visit Mongolia and China before returning to Tokyo on May 8, according to Foreign Ministry sources.

Tanabe To Convey New Stance in Pyongyang
*OW2303132589 Tokyo KYODO in English 1258 GMT
23 Mar 89*

[Text] Tokyo, March 23 (KYODO)—Prime Minister Noboru Takeshita will unveil on March 30 Japan's new position for improving relations with North Korea, government sources said on Thursday.

Takeshita will put forth the position in reply to a Japan Socialist Party (JSP) questioner at a session of the House of Representatives Budget Committee, the sources said.

This will coincide with the departure of a JSP delegation to North Korea and China.

Makoto Tanabe, former secretary general of the largest opposition party, will leave on March 30 as head of the 10-member mission from the JSP, which is the sole Japanese political party maintaining close ties with North Korea.

Foreign Minister Sosuke Uno, speaking at the house's cabinet committee session on Thursday, declined to give details of the new policy toward North Korea, with which Japan maintains no diplomatic ties.

Uno said, however, that Japan no longer takes a hostile attitude toward Pyongyang and that Japan thinks conciliation between North and South Korea is essential for Asia.

Now is the time for Japan to clarify what it thinks of North Korea, reflecting on 36 years of its colonial rule of the peninsula, Uno said. He also renewed calls for North Korea to release two Japanese seamen detained since November 1983 on espionage charges.

The government sources said the new policy will probably express Japan's regret over past relations with the peninsula, as did the 1965 Japan-South Korea joint communique.

Tanabe, who will be in Pyongyang between March 31 and April 5, will brief North Korean officials about Japan's new policy and will act as an intermediary to pave the way for direct government-level talks for the release of the two Japanese seamen, they said.

The seamen are Isamu Beniko, skipper of the 243-ton Japanese freighter No. 18 Fujisan Maru, and its chief engineer Yoshio Kuriura.

Beniko and Kuriura were arrested in North Korea on espionage charges in November 1983, two weeks after a North Korean soldier defected to Japan aboard their ship.

South Korea To Lift Ban on 84 Japanese Items
*OW2403084089 Tokyo KYODO in English 0813 GMT
24 Mar 89*

[Text] Seoul, March 24 (KYODO)—South Korea will lift import bans on 84 items from Japan, effective April 1, in compliance with Japan's request, the Trade and Industry Ministry said Friday.

Import curbs on another 14 items from Japan will be partially eased, the ministry said.

Ministry officials said these 98 items are among 344 items—including video cassette recorders (VCRs), ball-point pens and radio sets—whose import from Japan has been restricted since 1978 when the government began a campaign to shift imports from Japan to the United States and other nations. The policy was instituted to cut South Korea's trade deficit with Japan while helping to narrow trade surpluses with the U.S. and Europe.

The ban on the remaining items will be phased out by 1991, the officials said.

Among the 84 items for which import restrictions will be totally lifted are safety belts, stationary, signature pens and aluminum foil.

The 14 items for which import curbs will be eased include diesel engines.

Although South Korea's trade deficit with Japan is still large, estimated at 3.4 billion dollars in 1989, the move is designed to avert trade friction with Japan, which has called on Seoul to cut back or totally abolish such trade restrictions, the officials said.

Thailand To Receive 1.54 Billion Yen in Aid
*OW2403093789 Tokyo KYODO in English 0835 GMT
24 Mar 89*

[Text] Tokyo, March 24 (KYODO)—Japan will give 1,539 million yen in aid to Thailand, the Foreign Ministry said Friday.

Of the total, 1.5 billion yen will be used to increase Thailand's food output and the remaining 3.9 million yen will be used to purchase archeological research equipment.

The two governments exchanged diplomatic documents on the aid in Bangkok.

Health Officials To Inspect Chilean Grapes
*OW2403042689 Tokyo KYODO in English 0051 GMT
24 Mar 89*

[Text] Tokyo, March 24 KYODO—The Health and Welfare Ministry decided Friday to send two officials to Chile to inspect safety measures taken by the Chilean Government to safeguard fruit exports following an incident in which poisoned grapes were found in the United States.

Japan temporarily suspended imports of fruit from Chile on March 14 after a shipment containing cyanide-tainted grapes from Chile was found in the U.S. city of Philadelphia. The U.S. and European nations imposed a similar ban the previous day.

The Japanese Government lifted the suspension on March 18 on condition that Chile ensure the safety of its exports. The U.S. also lifted its ban last Friday.

Leaving Tokyo next Tuesday, the two ministry officials will inspect transportation routes of grapes from their vineyards to shipment overseas and be briefed by the Chilean authorities on sanitary conditions of grape production and other measures taken to ensure safety.

The ministry said that Japan will resume imports of Chilean grapes when their safety is confirmed. Sample checks will be conducted on the imports arriving in Japan to reconfirm their safety, it said.

The two officials will stay in Chile for 4 days.

Agriculture Minister on Food Security Concept
*OW2403050489 Tokyo KYODO in English 0355 GMT
24 Mar 89*

[Text] Tokyo, March 24 KYODO—Japan will continue asking its trading partners for "understanding" of its food security concept, including rice import restrictions, Agriculture, Forestry and Fisheries Minister Tsutomu Hata said Friday.

Speaking to reporters after a twice-weekly cabinet meeting, he said that Japan will keep trying to have this concept included in proposed long-term measures to be discussed in a review in April of progress on agricultural issues in the Uruguay round of multilateral trade talks in Geneva.

Hata was commenting on proposals concerning four key facets of global trade liberalization put forward by Arthur Dunkel, secretary general of the General Agreement on Tariffs and Trade (GATT), at a meeting of the GATT Trade Negotiations Committee (TNC) in Geneva on Thursday.

He expressed regret that a reference to Japan's concept of food security in connection with rice import liberalization was deleted from the long-term measures, and was replaced by a statement that noneconomic factors will be considered in the course of the negotiations.

The four trade fields are farm trade reforms, new rules to protect intellectual property rights, liberalizing the textile trade, and updating rules governing use of temporary trade curbs to protect domestic industries.

The latest proposal will be the basis for a final accord to be adopted at a higher-level discussions, opening in Geneva on April 5, according to GATT sources.

GATT delegates will continue their final adjustment of reviews from late this month until a TNC session in early April in close consultation with their home governments, the sources said.

According to Dunkel's proposal, short-term agricultural measures to be implemented until the global trade talks end in 1990 call for a temporary freeze on 11 areas, keeping them intact within the present framework, and that developing nations should not be bound by such measures.

The sources said the short-term measures also call for the establishment of standards and a basic period that may serve as a yardstick for the freeze, including market access, export competitiveness such as export subsidies, and supply limits, and call for all participating nations to report regularly to GATT on how they are being observed.

Dunkel's proposals also call for an early start of textile talks.

But the issue of intellectual property rights, being highly contested between industrialized and developing nations, is to be left to further negotiations, the sources said.

EPA Report Shows Economy Expanding

OW2203074789 Tokyo KYODO in English 0524 GMT
22 Mar 89

[Text] Tokyo, March 22 KYODO—The economy is on the track of expansion, led by brisk domestic demand but with the supply of labor and products tightening, a government report said Wednesday.

The monthly economic report of the Economic Planning Agency (EPA) was approved by the cabinet of Prime Minister Noboru Takeshita the same day.

Takeshita's cabinet will pursue an "appropriate and flexible" macroeconomic policy while closely monitoring economic conditions, both domestic and overseas, to prevent a possible revival of inflation, the report said.

The nation's personal consumption rose 3.0 percent in December over the same month a year before following a 1.7 percent year-on-year rise in November, encouraged by increased real income of salaried workers' households which posted an average year-on-year rise of 4.1 percent in December and a 5.3 percent advance in January, the report said.

Housing starts in January totaled 134,000 units, which translated into an annualized rate of 16.1 million units, up 0.1 percent from the previous month.

Labor market conditions are rapidly tightening, reflecting a further work force shortage, the report said.

The jobless rate stayed at 2.3 percent or 1.43 million persons in January, down by 30,000 from the previous month, it said.

Japan's major manufacturers plan to expand their capital spending by 9.1 percent in Fiscal 1989 starting April 1 from the Fiscal 1988 level to increase output, the agency said.

Including capital investment plans by nonmanufacturers, Japanese industry as a whole plans to raise capital spending by 6.0 percent in fiscal 1989, it said.

Japan's industrial output grew 9.2 percent in January from a year before and 0.9 percent from the preceding month, the agency noted.

Pretax profits of major Japanese makers and nonmanufacturers, including utilities, are expected to rise 5.4 percent in the first six months of fiscal 1989 over the corresponding period of fiscal 1988, the agency said.

Manufacturers alone are expected to boost their pretax profits by 10.5 percent in the April-September period, it added.

North Korea

No Accused of Suppressing Democratic Forces

SK2403101189 Pyongyang KCNA in English 1001 GMT
24 Mar 89

["Coup d'Etat Without Gun Report"—KCNA headline]

[Text] Pyongyang March 24 (KCNA)—NODONG SIMMUN today runs a commentary denouncing the traitor No Tae-u for making a wholesale suppressive operation against the patriotic democratic forces after discarding "his commitments to interim evaluation."

On March 22 the No Tae-u fascist clique, defining dissidents, students, labour and democratic organisations as "leftist violent groups", ordered that suppressive operations should be launched to sternly deal with their activities with the mobilisation of "all the police forces" and drive out the police in every way in "ferreting out all

the leftist organisations and underground organisations, blocking starting places of "protesters" and their courses of March and gathering places and walking away all of them.

The fascist clique issued an order that the riot police should be supplied with pistols and "M16" rifles to use them. [sentence as received]

Noting that Seoul and all other parts of South Korea are covered with the suppressive armed forces and raid, search, investigation and walk-away and arrest en masse are being held in different parts owing to the suppressive step of the No Tae-u puppet clique, the author of the commentary continues:

The sword brandishing for suppression by the traitor No Tae-u is the same as the "October yusin" staged by the traitor Pak Chung-hui at the time when a North-South dialogue was under way and the aspiration for democracy and reunification grew among the people; it is a coup d'etat without gun report and a replica of the moves to usurp the power on the part of the traitor Chon Tu-hwan who set up a more brutal military fascist dictatorship by committing the May 17 action and the Kwangju massacre at a time when the spring of democracy came and the desire for reunification surged in South Korea in the early 1980s.

As for the movement for independence, democracy and reunification by the patriotic democratic forces against which the puppets are directing spearhead of suppression, charging them with "forces to overthrow the system" causing "social disorder", it is necessary and just for the country and the nation, progress of the South Korean society and the existence of the people.

The headquarters causing the social disorder in South Korea is "Chongwadae" in the grip of the United States and its real criminal is the No Tae-u military fascist group. The traitor No made many commitments including the settlement of the Kwangju incident, eradication of the "irregularities of the Fifth Republic", revision of evil laws and promotion of democratisation, but he has implemented none of his commitments till one year since his seizure of power.

It is a ridiculous and shameless act that the No Tae-u group is brandishing the bayonet, alleging that there is a problem on other people but itself after it committed the crime.

Use of 'E-4B' in 'Team Spirit' Criticized

SK2403103789 *Pyongyang KCNA in English 1032 GMT 24 Mar 89*

[Text] *Pyongyang March 24 (KCNA)*—NODONG SIN-MUN today comes out with an article entitled "Nuclear War Moves of the U.S. Imperialists Must Be Checked."

The author of the article says:

The nuclear weapons shipped into South Korea by the U.S. imperialists from the U.S. mainland and Asian-Pacific region for the "Team Spirit" joint military exercises, in view of their performance, are weapons to be used for attack not only on the northern half of the DPRK [as received] but also on other socialist countries.

What draws particular attention is the involvement in the war game of the nuclear commanding plane "E 4B," a specially designed plane aboard which the U.S. President and brasshats can command a nuclear war in the sky after the outbreak of an all-out nuclear war.

The article further says:

While holding war games in other parts of the world, the U.S. imperialists have not mobilised so far the nuclear commanding plane.

However, they have mobilized the U.S. strategic command from 1983 and the plane "E 4B" in the "Team Spirit" war games in recent years. This means that, as a matter of fact, the "Team Spirit" joint military exercises are to make preparations for a global thermonuclear war.

It is as clear as noonday that if any stupid one of the U.S. imperialist war-likers participating in the war game provokes a reckless play with fire against our side, it may expand into a total war.

All this shows that to check the nuclear war provocation moves of the U.S. imperialists in Korea is an important link in preventing a global thermonuclear war and preserve world peace.

As unanimously demanded by the Korean people and the world's peaceloving people, the U.S. imperialists must at once cease from the nuclear war moves and withdraw all their nuclear weapons from South Korea.

Bombing Drill, 'Vicious' U.S. Espionage Reported SK2403110189 *Pyongyang KCNA in English 1051 GMT 24 Mar 89*

[Text] *Pyongyang March 24 (KCNA)*—The U.S. imperialist aggressors staged a bombing exercise simulating a nuclear strike at the northern half of Korea three times between 17:05 and 20:10 on March 22, flying a total of nine strategic bombers "B-52" over South Korea from Guam, a military source said.

In the nine days from March 14 to 22, they staged such provocative nuclear bombing exercise in the sky above South Korea by flying a total of more than 80 "B-52" strategic bombers.

Never had they practised such uninterrupted massive flight of "B-52" strategic bombers over South Korea for nearly ten days in the nuclear bombing exercise.

This fact proves that the U.S. imperialists have taken one more step forward toward the nuclear war provocation against the northern half of Korea in the adventurous "Team Spirit" war game.

On the other hand, the U.S. imperialists further intensified the aerial espionage against the northern half of Korea in the period from March 14 to 22.

They committed vicious espionage acts against the northern half, letting their spy planes of various types such as "U-2" strategic reconnaissance plane, "E-3A" early warning plane, "RV-1" and "RC-12" fly along the Military Demarcation Line from the air over the West Sea to the air above the East Sea seven or eight times every day.

This indicates that the U.S. imperialist aggressors are frantically staging nuclear war manoeuvres for a pre-emptive strike at the northern half of Korea.

'Team Spirit' Reportedly Causes Property Losses
SK2303152489 Pyongyang KCNA in English 1500 GMT
23 Mar 89

[Text] Pyongyang March 23 (KCNA)—The losses suffered by the population of South Korean Kangwon Province in the five rounds of "Team Spirit" joint military exercises from 1984 to 1988 totalled more than 800 cases, adding up to nearly 1,500 million won in terms of value, according to a report of HANGYORE SINMUN.

In this period the losses caused to them by the annual "Team Spirit" exercises staged by the U.S. imperialists and the South Korean puppet clique involved 159 cases of damages to buildings and facilities and over 120 cases of damages to crops.

In the period the population there suffered over 230 cases of losses from robbery and assaults committed by the U.S. imperialists during the "Team Spirit" exercises.

Chonminnyon Denounces Suppression of Workers
SK2403042089 Pyongyang KCNA in English 0409 GMT
24 Mar 89

[Text] Pyongyang March 24 (KCNA)—The National Alliance of the Movement for the Nation and Democracy (Chonminnyon) issued a special resolution denouncing the No Tae-u fascist "regime's" suppression of workers, according to MINJOK SIBO, a newspaper of Koreans under the influence of the South Korean Residents Association in Japan (Mindan).

Declaring that the alliance would smash the present "regime's" crackdown on the labour movement by the united struggle of the people, the resolution urged a

thoroughgoing probe into the truth behind the brutal terrorism against workers of the Hyundai Heavy Industrial Co. and immediate punishment of those responsible for it.

It expressed the determination to fight it out for the abrogation of the evil labour act which institutionally deters the development of the labour movement, and the "National Security Law" and all other draconic laws and for the political freedom of workers and other people.

It demanded the immediate reinstatement of all the unreasonably dismissed workers, discontinuation of the crackdown on the workers' right to existence and unconditional and immediate release of all the detained workers.

Anniversary of 24 March Struggle Marked
SK2403042689 Pyongyang KCNA in English 0412 GMT
24 Mar 89

[Text] Pyongyang March 24 (KCNA)—Papers in Pyongyang today carry articles calling for more courageously rising in the anti-U.S. struggle for independence and reunification on the occasion of the 25th anniversary of the patriotic March 24, 1964, struggle of the South Korean students and people.

A signed article of NODONG SINMUN says that the March 24 struggle erupted against the criminal "talks" between the Japanese reactionaries and the South Korean puppet clique was a righteous anti-imperialist, anti-fascist save-the-nation struggle against the aggression of outside forces and for the liquidation of the colonial fascist dictatorship and the democratisation of society and national reunification.

The unanimous ardent desire of the resistance fighters in the bloody March 24 struggle was to realise a society without aggressors and traitors to the nation, a new reunified country, independent and democratic, but this has not yet been realised owing to the obstructionist moves of the U.S. imperialists, Japanese reactionaries and the South Korean fascist clique, the article points out, and goes on:

The U.S. imperialists are paying lip-service to the "human rights" and "democratic development" in South Korea, but, in actuality, are viciously putting a brake in the wheel of the democratic development of the South Korean society, backing the military dictatorial "regime". The Japanese reactionaries instigated by the U.S. imperialists are tightening the political and military tieup with the South Korean puppets and stretching out their tentacles of economic subjugation deep into South Korea to use it as their peripheral base for overseas aggression.

The No Tae-u group does not hesitate to commit such a treacherous act as leaving the interests of the country and the nation to the tender mercy of its master, begging for the U.S. imperialists' permanent occupation of South

Korea in defiance of the desires of the people for independence, democracy and reunification. The traitorous puppet, while running amuck to get the division of the country legalised internationally and freeze it true to the "two Koreas" policy of the U.S. imperialists, is following the road of the face-off and war against the DPRK. The puppets are employing more cunning and vicious trick in the suppression of the patriotic and democratic forces calling for independence, democracy and reunification, under the signboard of "democracy" and are making desperate efforts to keep and prolong the tyrannical military fascist "regime". Today the anti-U.S. spirit for independence and reunification is sharply growing among the South Korean people.

Just is the struggle of the South Korean people for national liberation.

They will surely realise the desires for independence, democracy and reunification through an undaunted mass struggle in firm unity beneath the anti-U.S. banner of independence and reunification.

Foreign Reporters Visit Revolutionary Site
SK2303153789 Pyongyang KCNA in English 1505 GMT
23 Mar 89

[Text] Pyongyang March 23 (KCNA)—Press officials of different embassies and foreign correspondents here visited the Ponghwa Revolutionary Site in Kangdong County, Pyongyang municipality, on March 23 on the occasion of the 72nd anniversary of the formation of the Korean National Association organised and led by Kim Hyong-chik, an indomitable revolutionary fighter and an outstanding leader of the anti-Japanese national liberation movement of our country.

The visitors were briefed on the revolutionary activities and exploits of Kim Hyong-chik who devoted his whole life to the sacred struggle for the independence of the country and the freedom and liberation of the people, while going round the house where he lived and historical sites.

Pak Song-chol Attends Pakistani Reception
SK2303153389 Pyongyang KCNA in English 1503 GMT
23 Mar 89

[Text] Pyongyang March 23 (KCNA)—Pakistani Ambassador to Korea Zafar Habib gave a reception this evening on the day of Pakistan.

Present on invitation were Vice-President Pak Song-chol, Chairman of the External Economy Commission Kim Tal-hyon, Minister of External Economic Affairs Chong Song-nam and officials concerned.

Diplomatic envoys of different countries here were also present on invitation.

The reception was addressed by the Pakistani ambassador and Chu Hyon-ok, chairman of the DPRK Radio and Television Broadcasting Committee and chairman of the Korea-Pakistan Friendship Association.

Information Committee Group Leaves for Syria
SK2303154389 Pyongyang KCNA in English 1507 GMT
23 Mar 89

[Text] Pyongyang March 23 (KCNA)—A delegation of the information committee of the DPRK led by its vice-chairman Song Pong-sun left here today for a visit to Syria.

It was seen off at the airport by Yi Pong-hui, vice-chairman of the committee.

Major Construction Projects Under Way
SK2303113389 Pyongyang KCNA in English 1035 GMT
23 Mar 89

[Text] Pyongyang March 23 (KCNA)—Vast construction projects are under way in Korea to attain the grand ten long-range objectives of the current seven-year plan (1987-1993).

Now those projects across the country number more than 1,000.

The great leader President Kim Il-song said:

"We must continue to gear up capital construction dynamically so as to reach the major goals of the Third Seven-Year Plan."

As instructed by President Kim Il-song, large numbers of grand monumental edifices are taking shape in Sunchon, Sariwon, Chongjin, Musan, Tanchon and other parts of the country.

A chemical giant is under construction in Sunchon. It will annually produce, among other things, one million tons of carbide, 750,000 tons of methanol, 100,000 tons of vinalon, 900,000 tons of nitrogenous fertilizer, 250,000 tons of caustic soda.

Over the last two years or more, the project has been supplied with a colossal amount of equipment and materials including 17,000 units of equipment, 400,000 tons of rolled steel and the same amount of cement and 75,000 cubic metres of timber.

In Sariwon, a potassic fertilizer complex is under construction with an estimated annual production capacity of hundreds of thousands of tons of potassic fertilizer and as much alumina and more than ten million tons of cement. The construction of the first-stage calcinating system has been completed.

The scales of the projects in Sunchon and Sariwon each are more than double or treble the west sea barrage which was built in five years at the cost of about 4,000 million dollars to the wonder of the world people.

Tremendous efforts are being made to increase the generating capacity.

The construction of about ten large power stations including the Yongwon, Namgang, Kumyagang, Wiwon and Orangchon power stations and the east Pyongyang thermal power station is progressing apace.

The construction of the Wiwon power station has entered the last stage.

Scores of coal mines and pits are being developed on a large scale in Anju, Sunchon, Kangdong and northern areas which are rich in coal resources.

Ore mines are also being developed.

The Musan mining complex is carrying on about 30 construction programmes to create a production capacity of ten million tons of iron headings for the present. The Komdok mining complex is developing mines with an annual capacity of several million tons of nonferrous metal ores in the Southern and Takgol Districts.

Construction is in progress also at metallurgical plants, for instance, a new iron production unit at the Chongjin steel works and two alloy hearths at the Puryong metallurgical plant.

The Kim Chaek iron and steel complex is being expanded dynamically. Six projects have been completed and about 20 others are near completion.

Expansion projects are being promoted on a large scale at the existing machine plants including the Sungni general automobile works and the May 10 factory.

Production centres of numerically controlled machine tools, electronic and automation elements and robots are being built at the April 3 factory, the Huichon general machine tool works, the October 5 general automation works and other units.

Scores of construction projects are in progress in the sector of light industry, such as the capacity expansion projects of the Kyongsong ceramic complex, the Pyongyang cornstarch factory and the Kusong textile mill.

The major construction projects in the sector of transport are also progressing at a fast rate.

Great progress has been made at the Pyongyang-Kaesong express highway project with some 120 bridges and several dozen tunnels. The roadbed project of the whole section, scores of bridges and tunnels have already been completed.

The Hyesan-Manpo youth railway section (about 250 kilometres) which was opened to traffic last year is now being electrified.

Sea culture fields of tens of thousands of hectares are being created in the East and the West sea.

A vigorous mass movement is going on at rural communities across the country to complete the water-jetting projects covering 500,000 hectares of non-paddy fields earlier than schedule.

Dynamic irrigation work is under way to channel the water of the Taedong River to the fields of the western part of South Hwanghae Province.

It is a gigantic nature-remaking project which involves water channel tunnels of some 20 kilometres, some 20 water pumping stations, water channels of over 240 kilometres with 1,000 irrigation setups and a reservoir with a capacity of thousands of chongmi (one chongmi is 10,000 cubic metres of water).

The reclamation of 6,200 hectares of tideland at Taedong Bay is going on successfully as part of the project of reclaiming 300,000 hectares of tideland.

Urban and rural construction is progressing on an unprecedented scale.

Modern houses for 150,000-200,000 families and many educational, scientific, cultural and health institutions are taking shape every year.

In the capital city of Pyongyang, for instance, modern high-rise apartment houses for tens of thousands of families, hotels with a total floor space of nearly one million square metres, sports facilities of over 430,000 square metres and cultural facilities of over 410,000 square metres are under construction. Over the last two years or more, the city has taken new looks with the appearance of flats with a total floor space of 2,800,000 square metres and about 130 monumental edifices.

A 150,000-seat stadium of a beautiful and unique architectural style has taken shape, on the Nungna Islet in the River Taedong.

30,000 tons of steel, 100,000 tons of cement and 90,000 square metres of high-quality stones have been thrown into the construction of the stadium. The total investment in it is 200 million dollars.

The 105-story Yugyong Hotel now under construction with a designed total floor space of 400,000 square metres rose up to 70 stories or more in a little more than nine months.

Included in the major construction projects which are near completion are the East Pyongyang Grand Theatre, the International Cinema House, the Circus Theatre, the

School Children's Palace, the Central Youth Hall, the Gymnasium of Kim Il-song University, the Yanggakdo Football Stadium, the International Telecommunications Centre, the International Airport, hotels and other big objects requiring a large amount of fund.

A vast amount of funds, materials and equipment previously unknown are used for the construction of major projects of grand scale in Korea.

The nation's independent national economy meets the needs with its own products.

The powerful independent national economy of Korea is a most dependable guarantee for the scope, speed and quality of grand socialist construction.

Soldiers, Security Forces Work in Construction
*SK2403102889 Pyongyang KCNA in English 1015 GMT
24 Mar 89*

[Text] Pyongyang March 24 (KCNA)—More than 150,000 soldiers of the Korean People's Army [KPA] and the Korean People's Security Forces mobilized in construction are pressing ahead with many projects including several dozen major objects in different parts of the country.

Typical of the programmes undertaken by them are the construction of the Sunchon vinylon complex, the Sariwon potassic fertilizer complex, Kwangbok Street in Pyongyang and the Pyongyang-Kaesong expressway, the tideland reclamation on the west coast and the capacity expansion projects of the Musan mining complex and the Anju District coal mining complex.

The construction of these major objects immensely vast in scale is of very weighty significance in fulfilling the Third Seven-Year Plan (1987-1993) ahead of schedule and markedly improving the people's living.

The great leader President Kim Il-song has said:

"The soldiers of the People's Army and all civilian builders engaged in the building of major construction programmes must give full play to their heroic fighting spirit and creativity and positively introduce advanced building methods and speed up their construction, thereby guaranteeing the earliest inauguration of these projects."

It is nearly three years already since the more than 150,000 soldiers who are now displaying mass heroism on the labour front to accelerate the construction of major objects in hearty response to the teachings of President Kim Il-song left the frontline and their posts for the peaceful construction sites.

In 1986 the Supreme Command of the Korean People's Army took an important step of mobilizing combined and other units of the KPA and units of the Korean

people's security forces massively in the peaceful construction of the country in keeping with the all-people onward movement for grand socialist construction.

Hence, more than 150,000 soldiers moved from the frontline and their posts to major sites of socialist economic construction although the situation on the Korean peninsula was very tense.

Up until now, they have carried out vast projects which would take more than 10 years at ordinary pace, and erected many monumental edifices.

One of the greatest successes made by them is the completion in the summer of 1987 of the Songwon dam and the 40 kilometre waterway tunnel projects of the Taechon power station situated in the wide area of the Northwestern inland mountain region of our country.

Soldiers of the Korean people's security forces performed heroic feats in these projects. Known as "a unit of heroes" and "hard-working unit", they excavated 600,000 cubic metres of earth and carried out a concrete tamping of more than 595,000 cubic metres in a little more than one year in the construction of the Songwon dam.

The Songwon dam and the 40 kilometre waterway tunnel of the Taechon power station built thanks to their endeavours are grand monumental structures in the age of the Workers' Party for the development and prosperity of the country and for the happiness of the generations to come.

The soldiers are also making great contributions to accelerating the construction of the Sunchon vinylon complex, a leading chemical industrial base of the country, at fast speed. And they have already done a lot of work in the construction of the Sariwon potassic fertilizer complex which will annually turn out hundreds of thousands of tons of potassic fertilizer and the same amount of alumina and more than 10 million tons of cement.

They have finished in the main the roadbed project in the whole section of the Pyongyang-Kaesong expressway. In the past one year they have carried out many blastings including a 3 million ton blasting to cut off some 180 heights and hills and ensured the straight line of the road. And they have carried out scores of bridge and tunnel projects.

Soldiers have performed feats also in the projects to make Pyongyang, the capital of the revolution, more grand and beautiful.

Many of the 260 construction programmes in the capital have been undertaken by them. They have already completed the construction of a number of objects including the Kumnung highway-tunnel, the Nungna bridge, the International House of Culture, Sosan Hotel and the Sosan football stadium.

At present, they continue to make innovations at the economic construction sites while keeping themselves in a strained and mobilized posture and sharply watching the new war provocation moves of the U.S. imperialists and the South Korean puppet clique in face of their "Team Spirit 89" joint maneuvers.

Leader's Role as 'Father' of Masses Viewed
SK2403104689 Pyongyang KCNA in English 1038 GMT
24 Mar 89

[Text] Pyongyang March 24 (KCNA)—NODONG SIN-MUN today carries a signed article under the title "The Leader Is the Father Who Gives Popular Masses a Genuine Life".

It notes that today our people regard it as a firm revolutionary faith and a sense of obligation to hold in high esteem respected Comrade Kim Il-song as their father and remain allegiant and filial to him.

The relations between the leader and a revolutionary soldier are not merely those between the leader and a person led by him, but a relationship between the father who gives a genuine life and living in a socio-political organism, a community of destiny sharing life and death and the soldier who received it. It is the organizational and ideological and kindred relations, the article says, and goes on:

The *chuche* idea explained the revolutionary soldier's position [words indistinct] towards the leader as the loftiest and cleanest loyalty and filial devotion by elucidating that the leader is the father who gave a genuine life to him.

The conception of loyalty and filial devotion to the leader, newly clarified by the *chuche* idea, is a new one different from what was raised in the past historical period in its essential content and loftiness. It is a conception that shows relations between the supreme representative of collective, the brain of the socio-political organism sharing life and death, and its component member, between the father who brings a genuine life, the father who provides and takes care of the socio-political integrity and an independent and creative living, and the revolutionary soldier.

One must have filial devotion to the leader along with loyalty to him in order to truly uphold the leader and his cause.

Loyalty to the leader will be truer, cleaner and firmer when it is backed by a filial devotion to him.

The great leader Comrade Kim Il-song is the tender-hearted father who is giving our people a genuine life and happiness.

Our people will be wholeheartedly loyal and filial to the party and the leader till the end of the sun and moon, upholding the guidance of the great leader and the glorious party centre that have provided them with a most valuable socio-political integrity and an independent and creative life and take care of it.

Anniversary of Arson at U.S. Center in Pusan
SK2403064089 (Clandestine) Voice of National
Salvation in Korean to South Korea 0300 GMT
18 Mar 89

[Dialogue between commentators Yun Chong-won and Kim Chol-min on the anniversary of the arson at the American Cultural Center in Pusan from the "Feature Program:" "Looking Back on the Arson Struggle at the American Cultural Center in Pusan"]

[Text] [Kim Chol-min] How do you do?

[Yun Chong-won] How do you do?

[Kim] Seven years have passed since our patriotic youths and students in Pusan, including Mr Mun Pu-sik, set fire to the American Cultural Center building in Pusan. Reliving the anti-U.S. struggle of that time under today's reality in which the anti-U.S. struggle for national salvation is being intensified with each passing day among the youths, students, workers, farmers, and other people of all walks of life in South Korea is indeed significant and meaningful. Therefore, I have invited you to this meeting today. Well, I think that the arson at the American Cultural Center building in Pusan 7 years ago was the eruption of our masses' deep-rooted and pent-up rancor and indignation against the brutal colonial rule by the U.S. imperialist aggressors who have occupied this land. Don't you think so?

[Yun] You are right. Since they illegally occupied this land by force of arms after national liberation on 15 August 1945 the U.S. aggressors have schemed to fabricate the fascist dictatorial regimes through their pro-U.S. stooges, to instigate the pro-U.S. stooges to mercilessly trample underfoot our masses' independence and democratic and civil rights, and to perpetuate the division of the nation. This is why Mr Mun Pu-sik said in court that all political evils in our history have come from the fact that the mother-in-law called the United States has controlled the successive dictators in this land and that they could not find a way to punish the United States, the mother-in-law of the dictatorial regime, without resorting to committing arson in broad daylight.

[Kim] The arsonists who set fire to the American Cultural Center in Pusan made clear their motive for the arson.

[Yun] Yes, they did. In an interview, Mr Kim Hyon-chang, who was released from Taegu prison on 21 December last year, told reporters that the motive for the arson at the American Cultural Center in Pusan were the U.S. plundering of the South Korean economy, the U.S.

defense policy toward South Korea, and unequal relations between South Korea and the United States, but that the direct motive was to retaliate against the United States for its having instigated the Kwangju genocide.

Mr Mun Pu-sik said in court that the direct motive for the arson were the U.S. support and tacit approval of the 12 December military coup that brought out Chon Tu-hwan's military dictatorship; U.S. responsibility for the Kwangju genocide; the scandal of imports of U.S. surplus agricultural products; and the insulting remarks on South Korean people by Wickham, former commander of the U.S. Eighth Army, and Walker, former U.S. ambassador to South Korea.

[Kim] You mean that the Kwangju genocide in May 1980 was an important motive for the arson incident.

[Yun] That is right. As you know, the Kwangju genocide is a wound of our masses' deep-rooted rancor that they should not and cannot forget forever. It is none other than the United States which created this tragedy. This is known to the world. When the heroic Kwangju popular uprising erupted, the United States handed numerous military troops under the South Korean-U.S. Combined Forces Command over to the murderous Chon Tu-hwan-No Tae-u ring, clamoring that security is more important than human rights and that Kwangju rioters should be suppressed. Thus, the United States inspired the Chon Tu-hwan-No Tae-u ring to slaughter Kwangju citizens through a most barbarous and brutal way unprecedented in history. At that time, the United States mobilized not only the U.S. forces in South Korea, but also numerous tanks, helicopters, and a large-type aircraft carrier in a bid to block Kwangju and to actively assist the Chon Tu-hwan-No Tae-u ring's Kwangju genocide.

[Kim] Indeed, we cannot repress indignation and surprise at the Kwangju genocide. The Kwangju genocide showed that the United States is neither our friend nor ally, and that it is the enemy and source of all misfortunes and sufferings of our masses.

[Yun] That is right. By the way, Wickham, former commander of the ROK-U.S. Combined Forces Command, and Walker, former U.S. ambassador to South Korea, compared our nation to wild rats and made intolerable absurd remarks that the popular forces and patriotic students were thoughtless people. Furthermore, the incident of illegal transaction of U.S. farming products, attempt to export spoiled canned products, and the Korean Control Data Company [word indistinct] were committed. As a result, our popular masses' indignation against the United States cannot but boil like [word indistinct].

[Kim] Then, it is beyond doubt that the arson struggle of the Pusan American Cultural Center was an explosion of our popular masses' resentment and grudge against the U.S. colonial domination.

In retrospect, the arson struggle of the Pusan American Cultural Center was a very righteous one which triggered strong anti-U.S. struggles on this land.

[Yun] Yes, because Mr Mun Pu-sik and other patriotic youths and students of Koryo Seminary College, Pusan University, and Pusan Women's College could not ignore the incidents ruinous to the country, they waged the valiant struggle of setting fire to the Pusan American Cultural Center after a thorough preparation.

In addition, they scattered anti-U.S. leaflets around Kukto Theater, (Unha) Department Store, and various places in the city. In this way, they chastised and brought charges against the United States that premeditatedly instigated the traitor No Tae-u to commit the Kwangju incident and to cover this land with fascist darkness. Therefore, anti-U.S. and national salvation struggles were spread.

In fact, the incident of arson struggle of the Pusan American Cultural Center was not a simple arson. It was a very righteous patriotic resistance which showed to the whole world our national resistance spirit, indomitable will, and national mettle that our nation will survive and never die.

And this incident dealt a serious blow to the U.S. imperialists and their stooges, the No Tae-u ring. And it was a significant struggle gearing up the strong fire for anti-U.S. struggles on this land.

[Kim] Yes, I think that the arson incident of the Pusan American Cultural Center showed our popular masses, who are currently fighting the United States and for national salvation, many things.

[Yun] That is right, it showed many things. Before anything else, that struggle has clearly shown that our people's unswerving aspiration and anti-U.S. will to put an end to the U.S. colonial domination and to achieve independence of the country and nation cannot be eliminated.

As you may know, the Chon Tu-hwan and No Tae-u ring are fascist tyrants unprecedented in history. Therefore, the valiant anti-U.S. activities of the patriotic students in broad daylight could not be conducted without thinking of sacrificing themselves. But, Mr Mun Pu-sik and other patriotic students regarded the future of the country and nation first before their lives. This was proven when they conducted the undaunted operation of burning the Pusan American Cultural Center.

[Kim] In addition, the arson struggle of the Pusan American Cultural Center correctly showed that struggles could win the absolute support and solidarity from the popular masses of various strata when the struggle slogans reflect the urgent requirements of the trends and desires of the popular masses.

[Yun] That is right. In fact, the independent and democratic reunification, our people's unanimous hope, cannot be achieved unless the Yankee [preceding word in English] aggressors are ousted from this land and U.S. colonial domination and intervention are eliminated. Under these circumstances, struggles against the United States and for independence are urgent and vital tasks of our popular masses.

Thus, Mr Mun Pu-sik and the others chastised the U.S. aggressors by burning the Pusan American Cultural Center and scattering leaflets reading "Do not make Korea a U.S. dominated country any more and go home," "We denounce the U.S. crimes for maneuvering for a permanent division of the Korean peninsula and for U.S. economic exploitation against Korea," and "Attacking the Pusan American Cultural Center is just the beginning of the anti-U.S. campaign," in various places of the city.

Their struggles became a new turning point of awakening our popular masses to a more intense anti-U.S. and independent consciousness and of arousing them to anti-U.S. struggles.

[Kim] Yes, since the arson struggle of the Pusan American Cultural Center, anti-U.S. struggles have become widespread daily and intense throughout the country as seen in the burning of the U.S. flag by the students of Kangwon University, the repeated arson at the Kwangju American Cultural Center by students in Kwangju City, and the occupation of the Seoul American Cultural Center and the attack on the U.S. Embassy by the students in Seoul. Recently, these attacks on on-the-spot aggressive organs and aggressive bases of the United States have continued.

[Yun] Even the Voice of America reported that the Kwangju American Cultural Center was attacked as many as 27 times since 1980 and that it was attacked as many as 3 times this year alone. As a result, it could not but be closed for the time being. This was not a coincidence. Some time ago, the fierce struggles opposing the visit of U.S. President Bush were waged across the country.

[Kim] Yes, you are really right. We cannot help once again mentioning the significant meaning of the arson struggle of the Pusan American Cultural Center. And the arson struggle of the Pusan American Cultural Center practically showed that struggles should be conducted systematically and with a purpose after careful preparations in order to be victorious in them.

[Yun] That is right. At that time, Messrs Kim Hyon-chang, Mun Pu-sik, and other patriotic students recognized the urgent need for anti-U.S. struggles through the activities of their organization, the Saebyolhoe. Thus, they chose the Pusan American Cultural Center, one of the culturally and ideologically U.S. aggressive organ as their target of arson.

To put their arson struggle into practice, they in advance formed groups for scattering leaflets and for setting fire to the American Cultural Center. After repeated careful training and operations, they carried out the arson struggle.

As a result, they burned the cursed American Cultural Center and dealt a serious blow to the U.S. aggressors and the military fascist group.

Today, they have encouraged the popular masses to wage nationwide struggles against the United States and for national salvation.

[Kim] Messrs Kim Hyon-chang, Mun Pu-sik, and other patriotic youths and students who had fought against the United States at that time have undauntedly fought even under imprisonment and after they were released without bending their anti-U.S. will.

Recalling the mettle against the United States and the nation-loving spirit of the patriotic youths and students in Pusan, our popular masses should wage nationwide struggles against the United States and for national salvation to expel the Yankee [preceding word in English] aggressors out of this land and to eliminate the U.S. colonial and fascist rule.

South Korea

Police To Crack Down on Leftist Institutes

SK2403010889 Seoul THE KOREA HERALD in English
24 Mar 89 p 3

[Text] Prosecutor-General Kim Ki-chun ordered an intensive crackdown on institutes in which dissidents teach factory workers about Communist or leftist ideology in a government effort to curb the spread of leftism in the country.

Chairing a special meeting of top prosecutors yesterday, Kim also called for the arrest of those who raid or hurl firebombs at public facilities.

He maintained that radicals, sympathetic to the cause of Communist north Korea, are trying to topple the liberal democratic system by taking advantage of the ongoing democratic reforms.

"We are facing a crisis situation which can't remain unchecked," he said.

He observed some social elements are engaged in a "Communist revolutionary struggle" while saying they are fighting for greater democracy.

"In order to preserve the free democratic system, all prosecutors need to utilize all means at their disposal," he said.

Publications sympathetic to the cause of north Korea and those issued by the Pyongyang regime are increasingly in circulation in south Korea, Kim said.

He called for an immediate crackdown on such "impure" publications.

He also called for punishment of those who try to make contact with north Korean Communists.

The top prosecutor said all the institutes teaching workers and students about "Communist revolution and leftist ideology" must be shut down immediately to stop the spread of leftism in the country.

In a related development, the National Police Headquarters [NPH] reportedly ordered policemen handling persons accused of antigovernment actions to remain alert.

The policemen, estimated to total 5,000, will search for "leftist elements" who have penetrated every segment of society.

If necessary, an NPH spokesman said, police will conduct house-to-house searches.

He argued that leftist-leaning figures have infiltrated many work sites, particularly factories paying low wages, to instigate labor unrest which is injurious to the Korean economy.

Due to aggravated labor unrest, the government has said, the national economy will be hurt greatly by sagging exports.

On Wednesday, President No Tae-u called for tough steps against those who attack public facilities with firebombs or homemade bombs.

Police said police boxes will be armed with powerful M-16 rifles to protect their facilities from demonstrators.

Police were told to use firearms, if necessary, to arrest those who attack public facilities.

Police Gun Use Becomes Political Issue
SK2403004889 Seoul THE KOREA HERALD in English
24 Mar 89 pp 1, 4

[Text] The government's decision to use weapons to counter attacks on public facilities is developing into a hot political issue as the opposition parties demanded its immediate withdrawal and the convening of a National Assembly Home Affairs Committee session.

The three opposition parties yesterday strongly objected to the decision, charging that it is a threat to the people and might generate ruinous effects on future political developments.

The ruling Democratic Justice Party, meanwhile, pledged support for the government move which it called a "necessary and proper step to safeguard the nation's liberal democratic system."

The decision to allow police to use guns to cope with arson attack or other violent raids on public facilities was made at a Chongwadae meeting Wednesday of President No Tae-u and public security-related ministers.

They agreed on the need to invoke the right of self-defense when the execution of official business is obstructed by violent demonstrators.

The largest opposition Party for Peace and Democracy [PPD] called on the government to retract the decision immediately. It accused the government of "pouring cold water" on the emerging signs of political development based on dialogue and compromise following President No's postponement of the controversial midterm appraisal.

"I was aghast to see that the government, in the name of maintenance of public security and the safeguarding of liberal democracy, has decided to provide M-16 rifles to even police substations and to allow policemen to open fire at protesters," PPD leader Kim Tae-chung said.

He demanded the immediate withdrawal of the decision, warning that it might bring about catastrophic political results.

"Democracy needs patience, and if we cope with problems with patience, they would be resolved gradually through democracy's self-purification mechanism.

"The government should realize that the surest way to ensure political stability is to liquidate Fifth Republic irregularities and carry out democratic reforms at an early date," Kim said.

The Reunification Democratic Party asked the government to stop seeking to employ "physical" measures such as the use of guns in coping with demonstrators.

Party officials said the government should realize that the real cause behind the current unstable political and social situations is its losing of authority over the people because of its failure to clear Fifth Republic irregularities.

They contended that arming policemen with M-16 rifles to cope with protesters is a threat to the people, adding they believe the government can sufficiently handle the throwers of homemade firebombs and other violent attackers on public facilities with current laws and regulations.

The New Democratic Republican Party accused the government of threatening the people, charging that it is lacking in determination to solve problems within legal boundaries.

"By fulfilling democratic reforms and liquidating Fifth Republic irregularities, the government should remove the factors that trigger demonstrations," it said in a statement.

The dissident Council for a National Democratic Movement also criticized the government's move as a "declaration of war" against all democratic forces in the nation.

Opposition Leaders Express Anger

SK2403012889 Seoul THE KOREA TIMES in English
24 Mar 89 p 2

[From the "Press Pocket" column: "Opposition Reaction"]

[Text] Feelings of appeasement among opposition lawmakers, apparently following the shelving of the President's midterm test, turned sour over the government's decision to allow policemen to fire at militant radicals in self-defense."

At a high-level party officers' meeting, Kim Tae-chung, leader of No. 1 opposition Party for Peace and Democracy (PPD), bitterly attacked the government for inviting "a political catastrophe" by taking such a step.

PPD spokesman Yi Sang-su said the No government should give up its "double-tier" policy against the opposition, adding that it "smiles at the oppositionists on the one hand, while threatening them with knives on the other."

Opposition Reunification Democratic Party (RDP) president Kim Yong-sam expressed serious concern over the government's decision, calling it "a grave matter" that should be interpreted as part of the No government's switch to a hang-tough policy.

RDP vice president Kim Tong-yong quipped, "The government's move to respond to chaos by using physical means is like creating much of a war."

Another vice president Hwang Myong-su said when the government allows policemen to use pistols against demonstrating students and workers, "there cannot be ruled out a repetition of the May 1980 Kwangju turmoil."

The conservative opposition New Democratic Republican Party, which has been somewhat sympathetic with the No government's tough policy on violence, also attacked the government's move, but in a much milder tone.

Party president Kim Chong-pil only said the move should not be used as "a pretext" to oppress the democratic forces.

Weapons Controversy Viewed

SK2403013489 Seoul THE KOREA TIMES in English
24 Mar 89 p 6

[Editorial: "Police Use of Weapons"]

[Text] Under no circumstances should either public facilities or private ones be the target of arson and other violent attacks. Deplorably however, a number of police boxes, cars and other public facilities have been burned or destroyed by firebombs and stones thrown by radical dissidents or students in recent days. Such a trend now becomes the order of the day but the government authorities are almost helpless.

To meet the situation, President No Tae-u has understandably directed police to invoke the right of self-defense with the use of weapons when deemed necessary to cope with violent attackers obstructing the execution of official duties. National police chief Cho Chong-sok ordered policemen to fire their guns if police boxes or stations are attacked by radicals throwing Molotov cocktails or other homemade arms. In this connection, all of the 3,190 police boxes in the country will be provided with powerful M-16 rifles instead of carbines, while patrol officers are allowed to carry weapons.

But the idea is very dangerous. The using of a more powerful force to counter force will lead nowhere but to a fatal showdown between the rival forces. The Korean people have an allergy to gunfire directed against demonstrators in particular since the April student uprisings in 1960 that toppled the dictatorial regime of Syngman Rhee.

It is only a few years ago that a student was fatally shot to death by a canister of tear gas, thus inviting a nationwide furor. Armed policemen are trigger-happy especially under a state of emergency. People may easily imagine that fatal shootings will take place in free-for-all clashes between armed police and bomb-hurling demonstrators. Our experience shows us how serious the outcomes of such incidents are.

We share the views of President No that our free democratic system will face a crisis, if leftist forces attempting to spark violent class revolution are left unchecked. No rightly pointed out that a national consensus has been already created in support of the government's use of state power.

The government is of course entitled to exercise its power for the protection of people's lives, property and freedom. Yet, it also behooves the government to use it to the minimum degree against violence or illegal use of force. We recall to the minimum degree against violence or illegal use of force. We recall the Syngman Rhee regime collapsed after its wrongful exercise of state power with the shooting of an innocent student.

It is true that the government has so far refrained from using firearms apparently with the past unhappy incidents in mind. And because of its restraint, the current chaotic situation has been partly entailed. But the rightful exercise of state power is one thing and the use of firearms is another.

Regrettably enough, the dignity of state power has been degraded as it was often abused for a long time. Public force has been mainly wielded for the purpose of maintaining the dictatorial rules of past regimes. Therefore, important at this moment is the recovery of the authority of state power.

In parallel, the government and political parties should make joint efforts to create a social milieu of reconciliation. An atmosphere should be hopefully fostered of respect for the fair exercise of the government power. The present mood of confrontation needs to be curbed lest a gunshot touch off a national commotion.

Police chief Cho reportedly told the press that police would use weapons with prudence with the explanation that they had been directed to fire their guns at attackers' ankles and other non-vital parts of the human body. Logically it may be possible to prevent loss of life this way, but actually it won't be easy. And the definition of self-defense remains a matter of controversy.

As matters stand now, the use of the guns against violent demonstrators is a last resort. Instead of this, the government and the parties ave to seek out other means to cope with the anti-social forces. The ruling camp has a mandate to step up democratic reforms and enhance political morality and administrative capability.

The opposition parties came up with outright objections to the police use of guns. But they failed to present any alternative plans as usual. They need to do something that is in their capacity, for instance, the joint legislation of pertinent laws to control the illegal use of firebombs by radical and leftist elements. They should not be bystanders in this critical situation.

Order Sets Off Denouncements

SK2403070089 Seoul YONHAP in English 0604 GMT
24 Mar 89

[Text] Seoul, March 24 (YONHAP)—A government decision to allow police to shoot anyone tossing a Molotov cocktail or attacking a public office has set off a fire storm of controversy and drawn a sharp response from the entire opposition camp.

The peace brought about by President No Tae-u's surprise announcement Monday calling off his midterm appraisal was short-lived as all major political parties unleashed a blistering verbal assault on Wednesday's decision.

Denouncing the decision in single voice as "blackmailing the people," opposition parties called for it to be immediately withdrawn and demanded action by the National Assembly Home Affairs Committee.

Chonminnyon, the national alliance of democratic movements, called the decision a "declaration of a war" and demanded it be instantly revoked.

A ruling party caucus, however, decided to support the government, defining the policy as a "timely act."

Public security ministers, in a meeting presided over by No at Chongwadae, the presidential office, decided to issue high-powered M-16 assault rifles to police stations throughout the country and to allow policemen to open fire on "arsonists and militants," in self-defense.

The leading opposition party, Kim Tae-chung's Party for Peace and Democracy, accused the government of "pouring cold water" on efforts to realize democracy through dialogue since the appraisal was canceled.

"We emphasize once again that we need great patience in realizing democracy. The government should know that the only short cut to political stability is to clear away the legacy of the previous government and to continue efforts to bring about full democracy with patience," the PPD said in a statement.

The Reunification Democratic Party of Kim Yong-sam condemned it as "an act of hostility blackmailing the entire nation," and demanded an immediate meeting of the Home Affairs Committee.

"The government and the ruling party are overlooking the fact that the violence and unrest are the results of its loss of morality and legitimacy, stemming from insufficient efforts to liquidate the legacies of the previous government and to realize democratic reforms," the RDP said.

Kim Chong-pil's conservative New Democratic Republican Party echoed the bigger opposition parties, blasting the government decision as "an act of blackmail stemming from the previous government's authoritarian way of thinking."

The National Police Headquarters [NPH] put its more than 5,000 counterespionage agents on alert on the same day: ostensibly "until investigations on leftist forces expanding throughout the society are completed."

The NPH also ordered a nationwide census to locate "the leftists spread out in all walks of life."

No Warns Against Subversive Labor Struggle
*SK2403082589 Seoul YONHAP in English 0811 GMT
24 Mar 89*

[Text] Seoul, March 24 (YONHAP)—President No Tae-u renewed his warning Friday that the government will resolutely deal with illegal and subversive labor struggles.

Illegal actions during strikes will be handled in accordance with the law, No said, hinting that the government is preparing to get tough with a strike at Hyundai Heavy Industry Co.

"It's time to accept reasonable demands of workers, but we have to recognize that it takes a considerable time to solve problems that are 30 to 40 years old," he told the MAEIL KYONGJE SHINMUN, an economic newspaper.

Suspension of the referendum on his presidency will be "prudently reexamined in a direction helpful for national interests," he said.

"At this juncture, the most urgent task is to sweep out the disturbances in society, at the earliest possible date, that have arisen because of rapid democratization, the difficult economic situation and divided public opinion," No said.

Dailies Assess Appraisal Postponement
SK2303125389

[Editorial Report] Seoul vernacular dailies on 20 and 21 March carry editorials on the postponement of the midterm appraisal which was announced by President No Tae-u on 20 March.

In a 1,500-word editorial, on page 2 of its 20 March edition under the headline, "We Closely Watch the Development of Political Situation—Hearing the President's Statement on Shelving the National Referendum," CHUNGANG ILBO expresses a "feeling of relief" for removing the "possibility of acute confrontation" between the ruling and opposition camps with the postponement of the midterm appraisal while showing "surprise" at the "extreme turning point in politics."

Pointing to various problems posed by conducting the midterm appraisal of the president that would not be beneficial to the nation and the people, the editorial notes that "considerable courage" on the part of President No Tae-u was required in making the decision to shelve the referendum because he may be accused of "violating the pledges" and "treachery." However, the editorial stresses that simply shelving the interim assessment would cause additional problems concerning how to direct the "drifting political situation" and urges the president to present "clear answers" to these problems. The paper points out that the ruling camp should "immediately present the alternative plan" to effect "a turning point in politics and liquidation of the Fifth

Republic irregularities" and should take "epochal steps to strengthen the popular trust in the government which has been criticized for being a weak government".

The editorial stresses that although the "acute confrontation between the ruling and opposition camps" and "the danger of political bankruptcy" can be averted by a decision by the president, the mere "avoiding and shelving of the danger cannot resolve but may aggravate such a danger." Noting that the "favorable acceptance of the president's decision by the leaders of the three opposition parties" is "fortunate," the editorial urges the ruling camp to "make a great fresh decision" to resolve the impending problems including the Kwangju incident, labor-management disputes, and economic questions to ensure that the midterm appraisal will not be viewed as a "crisis" by the people.

KYONGHYANG SINMUN, on page 2 of its 20 March issue, carries a 1,000-word editorial under the headline, "The Liquidation of the Fifth Republic Irregularities is First—Mere Shelving of the Midterm Appraisal Cannot Be the Solution to the Problems." The editorial says that the time for the midterm appraisal has not yet "matured" because the Sixth Republic has not clearly liquidated the Fifth Republic wrongdoings, and expresses "regrets" for the government's withholding of its decision after merely adhering to an "irresolute attitude" in the past.

The editorial, however, evaluates the president's decision as "the next best step" because only "confusion and division" may result if the interim assessment is conducted without resolving the problems of the Fifth Republic and Kwangju. The editorial stresses that the decision for shelving the appraisal can be effective as a "temporary step" but cannot be "the basic solution" and that the withholding of the appraisal should not be "prolonged."

The editorial calls on each political party to resume "political negotiations" for the issues of liquidating the Fifth Republic irregularities and the Kwangju incident and to "clearly show its position toward various illegal collective activities" including the labor-management disputes.

Noting that "the clear attitude of President No Tae-u concerning whether or not he will conduct the midterm appraisal as he pledged and whether or not he will discard his pledge itself would be helpful to the future of the nation," the editorial concludes that the people will not "tolerate the irresolute attitude of the political sphere" concerning the issue of the interim assessment in the future.

CHOSON ILBO, in its 1,200-word editorial on page 2 of its 21 March edition under the headline, "President No Tae-u's Gamble," points out that the shelving of the midterm appraisal means "failure in keeping the promise he made to the people" and that "crashes in political sphere," "destructive acts of the violent leftist forces" and "the overheated atmosphere and disorder," which

President No Tae-u put forward as the reasons for shelving the assessment, cannot convince the people because there is no guarantee that even after his decision such acts will not occur.

The editorial expresses the fear that with the president's decision to withhold the appraisal, the future political structure would turn from the triangular system of "ruling sphere, opposition sphere, and off-stage dissident sphere" to merely "the sphere within the system and the off-stage dissident sphere" and that the collective acts and violence would not be reduced because confrontation would be "dominant" under such a dualistic system which has no "buffer zone."

The editorial, however, shows the willingness to "withdraw from its position which called for the midterm appraisal" being linked to a confidence vote for President No Tae-u, provided that "a new era of parliamentary forces is opened" with the No Tae-u government's "maximum acceptance of the opposition camp's demands" and with the "opposition camp's recognition of such acceptance as liquidation of the Fifth Republic irregularities."

SEOUL SINMUN, in a 2,000-word editorial on page 2 of its 21 March issue, under the headline, "Frank and Candid Discussion Has Become Urgent—Hearing the Announcement on the Postponement of the Midterm Appraisal," says that although the issue of the midterm appraisal was a promise made by President No Tae-u to the people, many people wondered what could be achieved from such an event because the people failed to reach a consensus on this issue. It stresses that "violence" and "provincialism" would be expanded due to "political discord" the interim assessment would cause at a time when the "campus and labor-management issues" have emerged as a "serious social problem" and that for this reason the president's decision should be "highly appraised."

The editorial points out that now the people expect that both ruling and opposition camps "develop" the genuine party politics through "dialogue" and "negotiations," noting that only when politics are stabilized, can social stability be attained. It expresses the hope that all "impending political problems" including liquidation of the Fifth Republic irregularities and the local autonomy system be discussed and "readjusted" in a frank and candid manner at talks between President No Tae-u and leaders of three opposition parties.

HANGUK ILBO, in its 800-word editorial on page 2 of its 21 March edition, under the headline, "Now, for the Settlement of Politics—Withholding of Midterm Appraisal Is a Prudent Decision," says that President No Tae-u's statement on shelving the interim assessment was a "prudent decision" in the wake of the possibility that the political situation may be driven into an "irrevocable bankruptcy" and that the opposition parties "affirmatively accepted" his decision in general.

The paper calls on President No Tae-u to "actively strive to eliminate the factors causing social disorder" and "to negotiate and settle the political issues including the testimony of former presidents at the National Assembly." The editorial concludes that although President No's decision is of "great significance" for preventing the political crisis, it cannot serve as a "basic solution" and that the ruling camp should make efforts to conduct interim appraisal of President No Tae-u "amid a peaceful atmosphere at any time" through "resolute liquidation" of the Fifth Republic irregularities and "democratization."

HANGYORE SINMUN, in a 1,300-word editorial on page 6 of its 21 March issue, under the headline, "He Should Be Judged After Resolving the Issues of Fifth Republic and Kwangju—Indefinite Postponement of Midterm Appraisal Is Violation of Pledge," says that President No Tae-u's "abrupt" statement has caused a "great surprise and shock" to the people and that "repeated fickleness" of the ruling party merely decreases "trust" in the present government. Noting that President No's basic idea in shelving the appraisal is "to maintain the current status," the editorial stresses that President No Tae-u should give an answer to the question of the source of "the social unrest and disorder" which he puts forward as the reasons for shelving the referendum, and that very few people would admit that "various evil laws" have been "abolished," "epochal measures" have been taken for the promotion of the people's welfare and the "Fifth Republic irregularities have been liquidated" by the present government.

The editorial points out that President No Tae-u's "ignorance of a clear attitude" of correcting the past "antidemocratic laws and order" and of resolving the issue of the Fifth Republic irregularities and Kwangju is the "very basic cause" of today's "confusion and disorder." The editorial then urges President No Tae-u to conduct the interim appraisal without fail after probing the Kwangju massacre, liquidating the Fifth Republic wrongdoings, and formulating a system which ensures a "fair and just vote."

TONG-A ILBO, on page 2 of its 21 March issue, carries a 1,000-word editorial under the headline "Liquidation and Reform Should Be Accelerated—Political Sphere Should Discard Cunning Politics and Should Work Out New Measures on Compensation for Violation of Pledge." It says that the "incoherent strategy" of each political party concerning the issue of the midterm appraisal evoked the people's doubt and indignation, stressing that President No Tae-u should be held "responsible" for such "political confusion and disorder." The editorial points out that the "struggle" of three Kims for power after the era of No Tae-u is also "deplorable" and that various problems remained unsolved due to "cunning strategy" and "tricks" of President No and the three Kims. The editorial noted

that various pending problems including labor-management, leftist violence, and campus disturbances could have been prevented if political parties and politicians within the system approached them in a "more sincere manner."

Noting that the pledge of President No Tae-u on the interim assessment should be fulfilled "in any form," the editorial concludes that the people will not tolerate the situation in which the "withholding" of the appraisal becomes a "cancellation."

Resignation of RDP Assemblyman Viewed
SK2303021689 Seoul THE KOREA HERALD in English
23 Mar 89 p 3

[Editorial: "Assemblyman No's Resignation"]

[Text] The resignation of an opposition Assemblyman as a result of "disillusionment with politics" gives us much food for thought. Our reflection is focused first on the far from ideal state of the nation's politics and then on what might be considered an arbitrary decision of the lawmaker on apparently "personal grounds."

The 42-year-old Rep. No Mu-hyon of the Reunification Democratic Party [RDP] who tendered his resignation this week also cited health reasons for quitting the parliamentary seat besides his "frustration over the helplessness of the legislature and protest against the government's suppression of the labor movement."

He had been elected on an RDP ticket in the general election of April 1988 from a constituency in Pusan. The up-and-coming Assemblyman was credited with a wide following among workers, student activists and the underprivileged people by virtue of his vigorous human rights activities.

It seems both untimely and inappropriate for No to give up his post now on no more explicit and convincing reasons. He is free to feel uncomfortable or dissatisfied with the present condition of party politics and the legislative chamber or the performance of the administration.

However, he might not be free to abandon his role and responsibility imposed on him by his electorate and the party he belongs to. An Assemblyman is authorized and requested by his electors to do his part on the parliamentary floor.

No suggested that he would prefer to join the ranks of direct activism for the promotion of the cause of labor. It is not clear what he means by such direct activism. But we may be sure that it would involve actions outside the framework of the legislative branch—probably more aggressive and less political in the traditional sense of the term.

If so, it is regrettable that the promising lawyer-turned politician decided on deserting the chief arena of party politics and stepping out of the regular and institutionalized process of democratic politics.

Democracy implies representative government in which parliament plays a vital role. Even if the shape and style of the legislature and party politics of present-day Korea do not appeal to him, he should have continued his devotion to the parliamentary duties and pursued his effort to reform and invigorate the parliamentary process.

The nation is worried about and troubled by an excess of what could be roughly categorized as direct actions going over the head of the established laws and politics. We must exert greater effort to converge such actions on political parties and the National Assembly.

DJP Becomes Flexible on Local Autonomy Issue
SK2203004489 Seoul THE KOREA TIMES in English
22 Mar 89 p 2

[By staff reporter Sin Hak-nin]

[Text] The administration and the Democratic Justice Party [DJP] are ready to be flexible in reflecting the opposition demands for the introduction of local autonomy to create an atmosphere of compromising following the suspension of a plan to conduct an interim assessment of President No Tae-u's performance.

However, the rival camps will be caught in a tug of war for the time being over the re-introduction of local self-rule after 26 years due to differences over the election of heads of local administration units.

Reversing its earlier plan, the governing DJP indicated yesterday that the ruling camp may agree to the introduction of a direct popular vote in the election of mayors and provincial governors in several special cities and provinces.

Rep. Kim Chung-wu, chief policy coordinator of the DJP, said yesterday that the number of heads of the higher-level local administration units to be elected by direct popular vote may increase to three or four in accordance with the negotiations with opposition parties.

However, Rep. Kim flatly denied the report that the government party may consent to the election of Seoul mayor by popular vote.

The 50-year-old head of the Office of Policy Coordination made it clear that the Seoul city mayor will be the last one to be elected by popular vote.

He added that the ruling camp is considering dividing the metropolitan Seoul city into several small cities, apparently in a bid to prevent the capital city falling into the hands of an opposition party.

The DJP has insisted that local self-rule should be introduced first in lower-level administration units such as small cities, counties and districts of the special cities and later expanded on a gradual basis.

The ruling camp also raised a strong objection to the direct election of the heads of local administration units as demanded by the opposition parties.

But, President No said in a drastic change of policy during an exclusive meeting with Kim Tae-chung, leader of the largest opposition party, that the ruling camp was ready to agree to the election of one or two heads of mayors of special cities or provincial governors by popular vote instead of by appointment by the central government.

According to the opposition proposed amendment bill to the Law on Local autonomy, which was passed in the Assembly two weeks ago, all heads of the higher-level local administration units will be elected through direct, popular vote along with the formation of the local councils in the five special cities and nine provinces this year.

Another bone of contention in the law revision is whether to allow candidates from political parties to stand for the local councils or not.

The DJP fears that if the opposition-proposed amendment to the law on local autonomy takes effect, the local councils will fall into the hands of the three opposition parties, which became a majority force in the Assembly after sweeping victories in their respective regional powerhouses.

Legal Action Brought Against School Expulsion
SK2303012889 Seoul THE KOREA TIMES in English
23 Mar 89 p 3

[Text] A district high court yesterday declared as invalid the expulsion of two members of the Seoul National University's student council in connection with their sit-in protest in the occupied university president office.

Cho Po-hyong and Yim Tae-hyok, both juniors at the university, were ousted from school in a disciplinary action against their role in occupying the president office last June to pressure a demand for the school's financial support to extracurricular student activities.

A group of student council members seized the office last June 24 to demand that students receive financial support to carry out volunteer work service in rural areas during the summer vacation.

In the course of the seizure, students had physical clashes with professors and administration staffers and damaged to school facilities.

Forty-seven professors out of the 61-member faculty conference decided at that time to strike the names of 11 students off the university enrollment.

Along with the nine other student council leaders, Cho and Ym were forced to quit the school. And the two students, both 22, brought a legal action against the school's punishment last September, appealing that the punitive measures were too severe in consideration of their "mere participation" in the sit-in protest at the campus administrator's office.

Ruling over the controversial campus turmoil issue, judge Kim Yong-chin of the Seoul High Court said that it was an apparent abuse of the school authorities' discretionary power to expel the students whose roles were relatively minor in comparison with other leading activists.

"The expulsion of those students from the school was almost synonymous with the capital punishment of minor offenders," judge Kim said. "The court noticed that there was no balance in the punitive measures. Some major role-making students in occupying the top administrator's office got suspended from school indefinitely and some were only scolded."

If upheld at the appellate court, the two ousted students will be rehabilitated onto campus, court officials said. But the university will also take legal action to protect the school authorities' discretionary power in dealing with student affairs, said a university spokesman.

It appears to be the first legal conflict between the court's jurisdiction and the school authorities' discretion as the university has decided to appeal to the Supreme Court.

The court cannot reject the university authorities' discretionary power to keep the campus free of student activists' violent demonstrations, Ym Chong-chol, dean of the College of Social Sciences, noted. "There should be a clear-cut division in the domain of the court's jurisdiction and the school authorities' in dealing with student affairs," he urged.

Hong Hui-pyo Named DJP Candidate in Election
SK2403005289 Seoul THE KOREA HERALD in English
24 Mar 89 p 2

[Text] Hong Hui-pyo, who recently lost his National Assembly seat under a supreme court ruling, has been named as the ruling party's official candidate for the forthcoming by-election in Tonghae city, Kangwon-to.

The by-election scheduled for April 14 came after a ruling that Hong's election in the April 26 general election in 1988 was null and void because he took inadmissible actions. Hong surrendered his affiliation with the ruling DJP in 1988 before nominating himself for parliament elections on an independent ticket in Tonghae city. But after being elected independently, rejoined the ruling party earlier this year.

*** Progress of National Defense Technology**
41070064 Seoul KUKBANG KWA KISUL in Korean
Jan 89 pp 36-51

[Article by Kim Ki-sok, member of the National Defense Institute Staff: "The Development Process of National Defense Science and Technology and Directions of Future Development"]

[Excerpts] "Today's weapons systems are the sum total of state-of-the-art science and technology and since they are produced by the creative effort known as 'research and development,' a country that relies on weapons systems developed by another country is not only incapable of having an independent national defense in the true sense, but is forever relegated to the status of an underdeveloped country in defense science and technology. Our country is now entering the ranks of the developed nations and is now on the verge of developing its own weapons systems. The model our country should adopt is that of countries like Israel, Norway or Sweden, which develop and produce world-class weaponry in special fields with small budgets. If we devote our best efforts to the developing weapons systems suited to our needs on the foundation of national defense S&T [Science and technology] that we achieved in the seventies and eighties, we will join the advanced ranks in defense S&T in the challenge for technology and materials of the nineties."

A country's S&T capability is intimately related to its defense capability and in particular contributes directly to strengthening defense capability through the research and development of weapons systems.

In the U.S. Democratic administration of the late seventies, Dr Perry, then assistant secretary of defense for research and development, stated, "The secret of improving national defense capability lies in turning the latest available S&T into war potential in the shortest possible time with the least expense." This underscores the importance of defense S&T in strengthening national defense.

Research in defense S&T in our country has a very short history, hitting its stride with the creation of the Agency for Defense Development (ADD) in the early seventies. In the short space of just 20 years, however, our defense S&T has achieved an epochal development along with the development of the national economy.

To day, with the nineties close at hand, and propelled by the success of the Seoul Olympics, our country is on the verge of a leap into the ranks of the advanced nations, not only in economic fields, but in politics, culture, and science and technology as well.

At this point in time, I think it is worthwhile, by looking back over the process of development of our country's defense S&T, to identify our country's present position,

and to examine the future developmental trends of the advanced nations' defense S&T and our civilian S&T, and to explore directions of development of defense S&T in the nineties.

Development Process of Defense S&T 1. Defense Science and Technology Before the Seventies

Our country has been devoting a great deal of effort to independent weapons research for a long time and developed superior weapons with which it was easily able to overcome major crises that occurred.

We can cite as typical examples the strongbow of the Koguryo period and the turtle boat and the "Pigyokjin-ch'onro" [bomb] of the Yi Dynasty. In their time, these weapons were the most advanced in the world, which defied all attempts at imitation. And with these weapons our ancestors were able to defend our national territory and block foreign aggression.

Unfortunately, however, at the end of the Yi Dynasty, because of the Taewongun's isolationist policy, we were unable to introduce advanced culture from the rapidly developing foreign countries and ultimately were unable to become strong enough to block the incursions of the great powers surrounding the peninsula. And as a result we suffered the misfortune of falling under the domination of Japan, which had opened its doors and achieved modernization earlier than we.

With the defeat of Japan in World War II, our country was liberated, and on 15 August 1948 the historic Republic of Korea was established. Along with this our military, which had been the National Defense Garrison Forces under the U.S. military government, had a new beginning as the Armed Forces of the Republic of Korea.

The military high command at that time, to properly maintain a military force of a newly independent state, had the strong faith and will to secure at any cost an independent weapons production capability.

As a result of this faith and will, in December of 1948 the Army Ordnance Depot was established. The old Japanese Army Arsenal was refurbished and was able to produce—albeit in small quantities—the Type 99 rifle (the standard-issue rifle of the old Japanese Army), ammunition, hand grenades and mines.

Once the weapons production got on track, the Ministry of National Defense (MND) established in December 1949 an Ordnance Administration Headquarters, with the Army and Navy on an equal footing. This absorbed the Army Ordnance Depot. In June 1950, along with a substantial expansion of the arsenal, the Institute of Scientific and Technological Research was created and tasked with research and development in addition to weapons production.

Almost immediately, however, the Korean war broke out and before the new organ could even be set up it was barely able to evacuate its personnel from Seoul. After setting up temporary quarters in Pusan, they produced mainly had grenades under difficult conditions, and performed the role of a weapons provider during the war.

Immediately after the recapture of Seoul on 28 September [1950], the Ordnance Administration Headquarters and its subordinate organs again returned to Seoul and commenced repairing the facilities destroyed by the war. But only 3 months later, because of the 4 January retreat [resulting from Chinese intervention] they once again suffered the misfortune of having to retreat to Pusan.

Meanwhile, during the conflict, massive quantities of new U.S.-made weapons were supplied gratis as U.S. aid to the ROK military. As a result, the indolent idea began to take root in the Army that "we can get as many weapons as we want free of charge," and the desire to produce Korean-made weapons was lost and attention was turned to just managing military aid goods.

In line with this kind of tendency, the MND's arms manufacturing organ also gradually was reduced and in March 1952 the Ordnance Administration Headquarters was downgraded to a bureau (the 5th Bureau) of the MND, and in early 1954 all ordnance depots with the exception of the Institute of Scientific and Technological Research were transferred to civilian management or disbanded. Subsequently, the Institute of Scientific and Technological Research became involved primarily with combat rations, military clothing, rocket R&D [research and development], and quality inspection of military procurement goods. In August 1961, however, even this organ was disbanded and transformed into the Army Institute of Technological Research.

The Army Institute of Technological Research engaged in research and development in the fields of emergency rations, military clothing, and individual equipment necessary for the Army, and formulated standards necessary for military goods procurement and testing and analysis. Then in August 1970 it was disbanded and part of its functions and manpower were absorbed into the newly created ADD.

Meanwhile, in the naval sector, the Naval Institute of Technological Research was established in Chinhae in March 1951. One year later it embarked on a development course and was expanded and reorganized into the Naval Institute of Scientific Research and became actively engaged in research and development of small patrol boats, seaplanes, engines for naval vessels, storage batteries for submarines, and special bombs.

As a result, although there was some trial and error, by succeeding in the majority of equipment development projects, it contributed greatly to increasing the Navy's

fighting potential. However, the Naval Institute of Technological Research [as published] was also disbanded in November 1958 and converted into a civilian research institute.

In the Air Force, too, independent research and development activity commenced early on. In 1952 the Air Force Technical School was tasked with and started to undertake the design and manufacture of a light aircraft in cooperation with domestic aviation technical engineers. In 1953, after conducting several successful test flights, the airplane was christened the Revival.

In March 1958 the Air Force Institute of Technological Research was established within the No 00 [unidentified] Aviation Repair Depot and undertook to develop small rockets as well as leaflet balloons and two-man gliders.

Even after the Air Force Institute of Technological Research was disbanded in April 1963, research and development activity continued, centering about the No 00 Aviation Repair Depot, and in 1968 development of the M-79 glider was begun, and it was completed in November 1969.

Thus, soon after the liberation, military officials recognized the great importance of developing and securing a capability of producing independent weapons systems, and did everything they could in their own way even though conditions were difficult. But because of shortcomings in domestic industry at the time (shortages of industrial facilities and technical manpower, a weak science and technology and economic capability, etc.) satisfactory results were not forthcoming and weapons development remained in a state of stagnation until the end of the sixties. 2. Developments in the Early Seventies Aimed at Developing Defense Science and Technology

It was from the early seventies that real strides began to be made in fostering defense industry and developing national defense science and technology. With the success of the first and second 5-year economic development plans our country slowly began to acquire an industrial base capable of supporting a defense industry.

As a result of the successful activities of the Korea Institute of Science and Technology (KIST), which was created in February 1966, our country, which had been an S&T wasteland, came to create a technical foundation capable of undertaking research in national defense science and technology.

A series of incidents such as the announcement of the Nixon doctrine in July 1969, attendant rumors of a reduction of U.S. Forces in Korea, and cutbacks in U.S. military aid to Korea served as an impetus to make our people feel the urgent need to establish an independent national defense structure.

Meanwhile, even after the truce in July 1953, North Korea continued to frantically increase its military capability aimed at an invasion of the South. In the sixties the North raised tensions by armed provocations such as frequent incursions of armed agents along the truce line, the attack on the Blue House, and the Ulchin-Samchok [large-scale guerrilla infiltration] incidents. And by the early seventies they had completed war preparations by themselves.

Thus we can say that the quickening of research activity in the defense industry and national defense S&T—the foundation of an independent national defense—at a time when our country's industrial and S&T base was being established and our nation's security was threatened was a natural consequence of the national confidence and the demands of the times.

When President Pak Chong-hui made his new year's inspection tour of the MND in January 1970, he emphasized for the first time the urgency of fostering defense industry and defense S&T research to foster an independent national defense capability.

Following this, in February 1970 he instructed the minister of national defense to establish an office in charge of promoting the defense industry, and in April of the same year more specifically revealed a design for building up a defense industry.

We may summarize the strategy for promoting a defense industry put forth at this time as: "Constructing a defense industry base by nurturing and supplementing civilian industry." While this complemented and utilized to the maximum the existing industrial potential of the civilian enterprises, it was centered around military research organs, which managed the projects, and KIST was the nucleus that provided technical support for it. The ADD had its inception as a part of President Pak's overarching plan.

On 23 July 1970 the "Preparatory Committee for the Establishment of the Agency for Defense Development" was constituted by Presidential Decree and on 6 August of that year the "Agency for Defense Development Service Regulations" was promulgated by Presidential Decree. Thus the ADD came into being as a state organ.

Simultaneous with its birth, the ADD began preparations for conversion into a corporation-research institute modeled after Canada's NRC [National Research Corporation]. This was essential in order to guarantee the autonomy of operation of the agency, maintain the independence of research and development activities, and secure superior research personnel.

The law establishing the ADD was promulgated in late December 1970 as the "Agency for Defense Development Law." The agency, a special corporation organized with a staff of over 100 persons, was thus capable of commencing research activities in earnest.

At the same time the ADD was established, defense industry offices were set up in the MND and the Ministry of Commerce and Industry (MCI). These were later both elevated to defense industry bureaus.

A Research and Development Division was also set up under the Joint Chiefs of Staff. This later was elevated to the Bureau of Research and Development. These government organs provided assistance to the activities of ADD and defense industry contractors.

3. R&D Activities in the Seventies and Eighties

The two objectives of national defense R&D and defense industry development for the seventies defined by President Pak Chong-hui in January 1971 were as follows:

- (1) Indigenous (ROK) production of firearms, ammunition, communications equipment, and vehicles and other basic military equipment by the end of 1976, the last year of the Third 5-Year Plan for Economic Development.
- (2) Indigenous production capability for precision military equipment such as missiles, aircraft, warships, and tanks by the early eighties, when the fourth economic development plan would end.

The first objective—the indigenous production of basic military equipment—began in late 1971 with the emergency weapons development project (known as Project Lightning), and by the mid-seventies practically all the guns, ammunition, vehicles, communications equipment, individual equipment, and combat rations that the military possessed at that time had been developed and were being produced and supplied to the military. Thus the objective was attained ahead of schedule.

The main development method used at this time was conventional imitation. The ADD obtained Technical Data Packages (TDP) from the United States for equipment earmarked for development and Koreanized it, or acquired sample equipment, which was then reverse-engineered. Defense contractors test-produced the equipment under the technical guidance of the ADD, after which it underwent technical testing and the military's operational testing, and finally went into mass production.

Testing and evaluation demonstrated that the performance of the equipment that was developed in this way was not the least bit inferior compared with the U.S.-made equipment. Given the situation at that time, this was a most surprising result.

This was because in the early seventies a certain senior professor at Seoul National University had asserted, "To do a decent job of manufacturing a machine gun in our country will take us 15 years." And so low was our country's industrial level at that time that many people endorsed his statement.

To secure a capability to produce precision military equipment indigenously—the second objective—the ADD established in 1974 the Taejon Machinery Depot to oversee aircraft manufacturing projects, and in 1976 the Chinhae Machinery Depot to take charge of maritime and underwater projects.

Meanwhile, the ADD acquired a general testing facility for the test and evaluation of the guided missiles, rockets, aircraft, and guns it developed and in 1978 a Testing and Evaluation Group was created to manage and operate it. A Quality Assurance Group was set up in the Seoul area to assume full responsibility for quality assurance over mass-produced items among the ever-increasing basic weapons.

At the guided weapons test firing carried out in September 1978 at the testing range in South Chungchong Province, the display and test firing of such precision weapons as the NHK-1 ground-to-ground rocket, the multiple-barrelled rocket, and the antitank rocket were accomplished successfully. Simultaneous reporting in domestic and foreign mass media demonstrated to the entire world our country's military prowess.

Thus, thanks to the formidable efforts of ADD and defense contractors, our country successfully achieved the objectives of the seventies and made an epochal contribution to strengthening the military's fighting potential, and developed to the extent that it could even export some defense goods overseas.

Building on the technological foundation achieved in the seventies, our country in the eighties also succeeded in developing—in addition to various kinds of guided missiles and rockets—precision military equipment such as unmanned aircraft, torpedoes, mines, submarines, tanks, armored combat vehicles, electronic warfare equipment, and defensive equipment for chemical, biological, and radiological warfare.

It is also worthy of note that the precision weapons developed in the eighties were not simply the result of the imitative development style of the seventies. The majority were the outgrowth of independent development and the performance upgrading of existing weapons.

Because protectionist policies began to appear in the advanced countries as they attempted to prevent the outflow of precision weapon technology, not only did it become impossible to import technical data easily and cheaply in the form of TDP as was the case in the seventies, but even in the case of joint development projects with foreign countries, we received the key technology of weapons systems only in "black box" form.

A good example of this is the special armor of the Korean tank or the search equipment for the ship-to-ship guided missile. As a consequence, from the mid-eighties, the ADD set to work on basic research in carefully selected fields to gain self-sufficiency in these key technologies.

The result of such basic research was that since they were able to produce results in the short span of 1 or 2 years, these results will be applied to the next generation of weapons systems envisioned for the nineties. (What is meant here by "basic research" is not pure basic research carried out in ordinary universities or research organs, but research activities corresponding to objective-related basic research and applied research.)

As a result of research and development and defense industry activities conducted through the seventies and eighties, over 50 percent of the military's weapons and equipment have been replaced by domestically produced equipment. This not only has created a framework for an independent national defense, but greatly contributed to the development of civilian industry and general science and technology as well.

Without the achievements of national defense R&D and the defense industry, we could never have achieved in such a short period of time the modern facilities and equipment of industrial centers of the Changwon Machine Industry Industrial Estate and other industrial centers, processing techniques boasting precision of one-thousandth of a millimeter, quality control techniques based on strict military specifications, consolidated design capabilities and massive quantities of technical data, highly trained technicians and technical engineers, and other tangible and intangible assets.

In the process of such growth, there was some trial and error in terms of excessive investment in some facilities and equipment and suspension of projects stemming from poor selection. Still, such trial and error should be understood as the labor pains accompanying the birth of a new field called the defense industry. [passage omitted]

Prospects for Our Country's Civilian S&T Development

When we discuss S&T, we commonly classify it into civilian S&T and defense S&T, but in every respect this is merely a classification based on application objectives. It does not differ intrinsically from that science and technology that examines natural phenomena, searches for basic principles, and applies it to real life.

Consequently, a country's national defense science and technology is merely a special field deriving from that country's civilian S&T. In that sense, there is little merit in discussing trends in the development of national defense S&T without forecasting the developmental trends of our civilian S&T.

In December 1985 the Office of Science and Technology released a highly ambitious long-range development plan. Its goal was that our country's science and technology level would rank among the world's top 10 by the early 21st century. According to this plan, the S&T fields that our country should intensively develop in the future

were bound together into five technical groups or clusters. The plan set forth objective technological criteria by technical groupings that should be achieved early in the 21st century. [passage omitted]

Group 1, in which the existing technical base has already reached a fairly high standard and which has a good chance of succeeding by the early 21st century, will be elevated to attain the future cutting edge of technology of the advanced nations. Group 2, with a potential for success will, sometime in the future, reach the level of the advanced countries. Group 3 (fields of a public-nature) and Group 4 (fields with good future prospects) will be brought close to the present level of advanced countries.

The strategy for achieving these objectives is first of all to increase the 36,000 scientists and highly trained technicians that existed as of 1984 to 150,000 by the year 2001 by training and manpower procurement, but in particular to acquire around 15,000 international-level key personnel in the fields of basic design, R&D management, and systems engineering.

Second, by intensively fostering designated sectors and specializing in selected products likely to be competitive in overseas markets, and concentrating developmental efforts in these.

Third, by expanding investments and financial resources, to increase each year the present S&T investment expenditures of 957.8 billion won (1.47 percent of GNP [gross national product]) until they reach 6,224.8 billion won (3.1 percent of GNP) by the year 2001.

Fourth, by firmly establishing a research and development setup on a national level, universities would devote their energies to basic research and education, and government organs and research institutes would concentrate on developing basic technology and public technology, and businesses would work toward development of industrial technology.

Fifth, would be to pursue an expansion of sources of technological innovation and development of market-directed technology. Sixth, internationalization of research and development (joint research, technical cooperation, etc.) and regionalization of research and development (by region and by industrial estate, and so on) would be encouraged.

To summarize the plan by specific field of concentration:

First, in the field of information industry technology, development of personal computers and medium-size computers and various software aimed at increasing productivity tenfold; to develop 4-megabyte DRAM [dynamic random access memory] and 16-megabyte DRAM transistors and construction of an electronic communications network utilizing electronic switching devices and fiber optic technology.

Second, the field of materials-related technology would consist of development of the following: existing state-of-the-art products and creation of new materials; precision chemical technology aimed at taking over 3 percent of the world market; genetic engineering technology such as biological creation of new materials, utilization of breeding technology, developing waste treatment bacteria; indigenous production of heat-resisting alloys aimed at taking over 2 percent of the world market; priority development of super-lightweight materials; high molecular materials including automobile bodies, electronic parts, artificial internal organs; and new processes in manufacturing technology.

Third, in the field of energy and resource technology the basic objective is a conversion from the present resource dependent-type to a technology-dependent type—a transformation in energy sources from coal and crude oil to atomic energy and energy substitutes, development of energy-saving technology with a goal of increasing efficiency by 27 percent, and the development of raw materials technology, including acquiring the ability to explore more than 1,000 meters below the surface of the earth, and increasing the mechanization ratio by 69 percent and development of extraction and refining of rare metals.

Fourth, the field of industrial element technology includes, in addition to design and engineering technology, basic technology such as key parts technology, machinery automation technology, metal molding and other basic technology, test and evaluation technology for quality and performance, and standards and measurements technology.

Fifth, in the field of technology which relates to the public welfare, would be the development of environmental technologies such as prevention of atmospheric pollution, reduction of water pollution, industrial waste treatment, new technologies in health care to improve the health of the people, and life-information service systems to enhance the quality of life.

Finally, the field of basic technology for development of the future comprises basic surveys of ocean resources, development of ocean energy and other ocean technology, aeronautics technology such as fostering the parts industry and the developing a short-takeoff-and-landing (STOL) aircraft, and space technology such as developing an artificial communications satellite.

This long-range governmental plan for science and technology appears to have a high possibility of achievement. The reason is the government's strong commitment to S&T development and the civilian firms' sudden expansion of investment in technological development.

In particular, because of the advanced nations' rigid policy of technological protectionism and pressures on intellectual property rights and manufacturing property rights that

began in the eighties, our country's businesses came to realize that survival will be difficult without investment in technological development. [passage omitted]

It is anticipated, therefore, that our country's civilian science and technology will develop radically, and this phenomenon is certain to have a great impact on the development of national defense science and technology. First of all, with the exception of special fields, the practical utilization of civilian high technology is possible.

Also, because the majority of our country's defense firms either belong to the same groups as civilian companies or have technical cooperation relations with them, the sophisticated design technology of the civilian companies is precisely the same as that of our defense firms.

The basic-science capability of key research institutes or universities will contribute to accomplishing defense S&T research in the form of contracting out research or by joint research projects. Thus, it is anticipated that the civilian S&T of the nineties will provide a very encouraging environment for the development of national defense S&T.

Developmental Directions of Defense S&T in the Nineties

So far we have looked at the process of development of our country's defense science and technology from the early seventies until the present, the advanced nations' military S&T and weapons systems development trends, and our country's civilian S&T developmental prospects.

In view of the overall environment and conditions, how should our country's defense S&T in the Nineties be developed?

I. Fields of Challenge of the Nineties

First of all, in our weapons systems development in the nineties, let us consider the fields that we must challenge. The nineties clearly will be a period in which challenges in two fields will be required: technology and resources.

What we term the challenge in technology is the challenge of the accelerating speed of technological innovation, the dimensions of the technological base, which is becoming broader and more complex, and the barriers to conventional technology, which is becoming more high-tech. The challenge as to resources refers to the challenge of the size of useable resources and the increasing scale of expenditures for weapons systems development.

Let us look first at the challenge in technology. It took man 1 and 1/2 million years to go from the Stone Age to the Iron Age, but only 1,000 years to go from the Iron Age to the Age of Steam Power, and a mere 100 years to go from the Power Age to the present.

In the speed of practical application of technology also, 112 years were required from the invention of photography until its practical use, but only 56 years were required from the invention of the telephone until its practical use, and only 3 years from the invention of the semiconductor until its practical use.

Nowadays, the speed of development of computers also is indeed so blindingly fast that yesterday's equipment is already old fashioned today. The phenomenon of technological acceleration is the same in the field of weapons systems.

The Stanford Research Institute in the United States classifies equipment into three topologies according to speed of development: evolutionary (guns, vehicles, ships); radical (guided missiles, electronic equipment, and so on); and mixed (that is submarines, in which the hull of the vessel is evolutionary and the electronic equipment radical). Of these, in the case of the radical type or the mixed type, we find many examples where, because of the long period of development by the time they reach the point of being deployed in actual warfare, they have already fallen into the category of old-fashioned equipment.

In the case of modern research and development projects—not even looking at such examples as nuclear weapons or space ships—with the increasingly high precision of weapons systems, not only has the breadth of knowledge required for their development expanded, but the technology itself has become more complex, and the age has passed when it was possible to develop new weapons systems by the inventive efforts of one individual. Consequently, the systematization of research and development has become unavoidable and weapons systems—the fruits of research and development—have become the interdisciplinary outcome of fully mobilized S&T in all fields.

Furthermore, modern weapons systems are the product of conventional technology obtained in the continuing process of endless challenges and failures vis-a-vis new technology.

Even so, success relative to investment tends to become lower inversely according to the S-curve principle. Because it cannot be learned by everyone and cannot be imitated, the barrier of normal technology created in the inevitable process of trial and error, is always high. [passage omitted]

Our country, which is now on the brink of becoming an advanced country, must meet the challenge of rapidly changing technology, an ever-expanding and ever-more complex technological base, and the high barrier of normal technology. [passage omitted]

When we compare defense R&D expenditures as a proportion of total defense expenditures in the advanced countries, we find that whereas the advanced countries

are investing 5-12 percent of their national defense expenditures in research and development, our country stands at the 2 percent level on average.

Of course, it is expected that as the national economy develops, the gap in usable resources will gradually shrink, but it is believed that there will be little change in the situation of having limited usable resources in comparison with what must be done.

Meanwhile, together with the high precision and complexity of weapons systems, development costs and unit costs are radically increasing in scale. For example, the per-unit cost of the F-86, which was the most sophisticated fighter plane at the time of the Korean war, was only \$210,000, but the per-unit cost of the F-4E Phantom, the mainstay plane of the seventies was \$7.2 million; and today's mainstay plane, the F-15, is in excess of about \$20 million.

In the case of tanks, the main battle tank of the fifties, the M-48, cost \$110,000, and its improved model, the M-48A5 cost \$750,000. The M-60 of the seventies was \$1.2 million. In comparison, the M-1 tank, the mainstay battle tank of the eighties, has a per-unit pricetag of \$3 million, which tells us that its research and development required around \$1 billion.

Because of this situation, even countries such as the United States, which have a lot of money, are curbing research and development investments across the board and selecting specific fields for investment while strengthening technological cooperation with their allies.

Consequently, if our country is to break away from the present imitative stage of weapons development and accomplish research and development in the true sense, we are faced with the difficult challenge of having to spend fantastic sums to develop even one weapons system like an advanced country.

2. Objectives of the Nineties

[Passage omitted] If the seventies were the imitative development stage of basic weaponry, then the nineties can be said to be the stage of upgrades of precision weapons or the stage of independent development; and the nineties must be the independent development stage of high-precision weaponry.

Consequently, the research and development objective of the nineties will be the independent development of high-precision weapons. This means we must select and independently develop weapons systems one dimension higher than needed by the military while moving forward to acquire the required core technology that will be needed for new generation weapons systems that will make their debut in the 21st century.

Specifically, we may say that the selection of weapons systems to develop is dependent on the military's medium- and long-range plan for increasing its fighting potential, and the technological capability of research institutes, and the judgment and will of policymakers.

3. Promotion Strategy

If we want to develop high-precision weapons requiring vast amounts of development expenditures with limited usable resources, a promotion strategy predicated on maximizing investment effectiveness will be the key to achieving the objective.

Let us look at the promotion strategy we should choose in the nineties.

First we must make bold choices among available options.

Take the example of the Swedish Navy. In 1965 the Swedish Navy formulated a long-range plan to improve the structure of its fighting power. They decided to select only four types of weapons systems for future acquisition—submarines, torpedoes, mines and coastal defense guns—and to abandon the rest. This decision rested on the judgment that in the event the Soviets launched a full-scale attack, with Sweden's defense capability, it would be able to hold out for no more than 6 or 7 days. They saw that the above four weapons systems were precisely the ones they needed to hold out for that period of time and that would enable them to stir up international outrage and induce their allies to come into the war.

In our country's case, the present primary threat is that of a North Korean invasion and in all probability it would be limited to the Korean peninsula. The advanced nations, including the United States, will possess weapons we have no need of now, or in the future, in such a situation. Besides the obvious weapons systems [that are of no use to us] such as nuclear aircraft carriers and nuclear submarines, intercontinental missiles, long-range bombers, space weapons and the like—if we make wise judgments, we can even further reduce the number of fields that are essential.

Second, we should avoid redundant investments.

As mentioned above, because part of our country's civilian science and technology in the late nineties will undoubtedly be moving into the ranks of the advanced countries, the era of maintaining exclusive controls over research and development is past. It is anticipated that by that time, in the majority of fields the level of science and technology of civilian firms or research organs and universities will greatly exceed the levels of the ADD.

If so, the fields in which the ADD must direct its research will be extremely limited and its role will primarily be to eliminate redundant investment by managing the civilian technology from the view of the state, and to utilize this efficiently in national defense science and technology.

Third, we must strengthen technology information activities.

If we can resolve the efforts necessary for research and development by acquiring technological information, we can increase the added value, but the advanced countries' tendency toward technology protection has been gradually intensifying. In our country's case, since the United States is still our main source of information, we must step up our activities aimed at acquiring information from it, while working to diversify our sources of technological information.

No matter how we wish to attain independent [technological] development in the nineties, independent development will not mean that technical cooperation or joint research with foreign countries will be a waste of effort.

Fourth, we must develop an elite work-force.

If there is a difference between research and development and other work, it is that one superior person with creativity can easily perform the work of 10 ordinary persons. Therefore, we must put the emphasis on raising quality rather than increasing quantity. And to do this multifaceted methods must be devised for training superior intellects as well as developing indigenous in-service training programs, engaging specialists, and promoting joint research projects.

Fifth, we must seek innovations in our project management systems.

The essence of this innovation must be: firmly establishing a system permitting more intimate cooperation between the military, who are the users, and the research organs, who are the developers; firmly establishing an integrated management system that will permit simultaneous development of combat elements (doctrine, organization, training) and military support elements (equipment, supply, facilities, and so on), running parallel with the development of equipment; and institutionalizing rational managerial methods in which project management responsibility is assigned according to the scale and importance of the project, a stage-by-stage project management system in which intensive evaluation and screening can be achieved at main decision points in the project, not at the end of the fiscal year.

And last of all we must increase the scale of investment.

I think that research and development investment expenditures should be brought up to the level of at least 5 percent of national defense expenditures, which is the lowest level of the advanced countries. I should emphasize, however, that this is in every respect my own personal opinion.

Conclusions

The famous British historian Arnold Toynbee has said that the development process of human civilization was a "repetition of challenge and response." This also fits the process of generating weapons systems.

Massive battles that take place time and time again between tank cannons and armor, violent performance competition between airplanes and antiaircraft weapons, the advent of electronic warfare and antielectronic warfare measures; the appearance of the Strategic Defense Initiative (SDI), the game of hide-and-seek between radar and the Stealth—these and many other examples prove this.

Modern weapons systems are the sum total of state-of-the-art science and technology, and since this is only produced by the creative effort known as research and development, a country that relies on the weapons systems produced by another country is not only unable to have an independent national defense in the real sense of the word, but is forever relegated to the status of a backward nation in national defense technology.

I feel that our country too, which has at last arrived at the threshold of the advanced nations, has now reached the point when it will outgrow the importation or imitation of foreign weapons and develop its own independent weapons systems.

However, the model we should follow is not that of the superpowers—the United States and the Soviet Union—but the medium and small advanced countries such as Israel, Norway, and Sweden, which are quite good at developing world-class superior weapons that are suited to the situations of their own countries, in specific fields; and they do this on small budgets.

If we build on the national defense science and technology foundation we achieved in the seventies and eighties, and boldly challenge the high barrier of selected state-of-the-art technology, utilizing limited resources to the maximum, and doing our best to develop weapons systems suited to our actual situation, there is absolutely no doubt that in the approaching nineties, we also can place ourselves in the ranks of the advanced nations in terms of national defense science and technology, and our country's independent national defense posture will become even more secure.

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North's Ho Tam Said To Support Dialogue
SK2403072789 Seoul Domestic Service in Korean
0300 GMT 24 Mar 89

[Text] According to a report from Rome ANSA-YONHAP, Ho Tam, chairman of the Committee for the Peaceful Reunification of the Fatherland in North Korea, said at a conference in Rome that North Korea will continue its dialogue with South Korea.

On 23 March Ho Tam insisted at a conference arranged by the Italian Committee for the Reunification of Korea that both the North and South will continue their dialogue because they both promised to make progress in the dialogues. He insisted that North Korea is pursuing reconciliation and understanding in conformity with present international situation, and that the withdrawal of U.S. troops from the South Korea is a key issue for the reunification of Korea.

Government Bans Writers From Attending Talks
SK2403124189 Seoul YONHAP English 1233 GMT
24 Mar 89

[Text] Seoul March 24 (YONHAP)—No Tae-u's South Korean Government, which has recently vowed an intensive crackdown on the so-called "leftist-leaning forces," Friday decided not to allow a group of South Korean writers to proceed to the truce village of Panmunjom for their planned meeting with their North Korean counterparts on coming Monday.

In a related development, the Seoul government reportedly decided to back down from its earlier plan to let radical student leaders participate in the 13th World Youth Festival to be held in Pyongyang this summer.

The Culture-Information Ministry here said Friday that the government has decided not to permit the Seoul-based "the Congress of National Literary Writers" to push ahead their scheduled meeting with the Pyongyang-based "the Korean Writers Union" at Panmunjom.

The ministry insisted that the "congress" could not be regarded as an organization that fully represents the opinion of the literary circles in the South.

The "congress" and its North Korean counterpart earlier decided to have a "preparatory contact for a South-North writers meeting" at Panmunjom on Monday.

Meanwhile, a published report here said that the Seoul government decided not to allow South Korean students to attend the 13th World Youth Festival "owing to lack of cooperation on the parts of the Chondaehyop (National Council of Student Representatives), a Seoul-based body of radical students, and North Korea."

A front-page report of the SEKYE TIMES quoted a highly-placed government official as saying that such a decision was also "in accordance with the public opinion which is leaning toward a boycott."

The North Korean side has not yet sent replies to Chondaehyop's offer to participate the festival, while flatly refusing to accept a proposal by the South Korean government-sanctioned committee of college professors and social leaders to have talks to discuss South Korean students' participation, the source said.

Chondaehyop, meanwhile, has refused to accept the committee's intervention in its bid to have direct talks with the host of the festival.

North Defectors Hold News Conference
SK2403011489 Seoul THE KOREA HERALD in English
24 Mar 89 p 3

[Text] Two north Korean students who defected to south Korea last month said yesterday the relatively better freedom they experienced while studying in Czechoslovakia had led them to reject north Korea.

"After witnessing the free life of students in Czechoslovakia, I got disenchanted with the reality of north Korea," said Kim Un-chol, 23, at a news conference at the Press Center.

He said the opportunity to watch television coverage of the 1988 Seoul Olympics had led them to realize what they had been taught in north Korea was false.

"There is no freedom there and people are forced to worship Kim Il-song and his son Kim Chong-il like living gods," the medical student said.

He said he was studying at Charles University in Prague at the time of his defection.

He said north Koreans do not know what is going on outside, as all news and media are propaganda. Literature, art and music are controlled by Kim Chong-il, son and heir apparent of Kim Il-song, and used only for praising him and his father, he said.

Kim's fellow defector, Cho Sung-kun, a 22-year-old sophomore in medicine at the same university, said hepatitis was widespread in north Korea.

The reason is that north Koreans cannot afford disposable syringes, Cho said. He said many north Koreans were also suffering from stomach illness because of irregular meals caused by food shortages.

Members of the ruling north Korean Workers' (Communist) Party, however, receive preferential treatment at hospitals where even basic medicines are hard to find. He said patients have to secure penicillin on their own, unless they are party members.

The two young men said they had spent two years and five months, including nine months of language training, in Prague.

They said they came to a south Korean embassy in an unspecified Western European country Feb. 11, after two days of traveling by train from Prague via Yugoslavia.

They arrived in Seoul Feb. 25 and have been held since by intelligence authorities.

North Korea has admitted to their defection, but accused them of being bad students who were corrupted by "capitalist influences."

Kim Un-choi said political dissidents were "living like animals" in secret north Korean camps. "If you blurt out complaints, for example, under the effect of alcohol, you end up in the camps," he said.

The two defectors reportedly told intelligence officials that the camps hold about 105,000 so-called political offenders in tight surveillance.

Barbed wires and electrically charged fences stand 3-4m high around the camp site with a far-stretching land mine, they revealed, and prisoners are completely cut off from outside contact.

They are banned from marrying or having a child and rely on farming to support themselves, but it is widely known that a majority of the prisoners die from malnutrition and illnesses, succumbing to hard labor and rigorous political reeducation programs, the students said.

Tell of Student Life

SK2403011689 Seoul THE KOREA HERALD in English
24 Mar 89 p 4

["Excerpts" of information based on remarks by North Korean student defectors on the lives of North Korean students at home and abroad released by the authorities]

[Text] The international project department of the north Korean Workers' (Communist) Party headquarters establishes plans to send north Korean students abroad for study. It decides the number of students, the courses to be studied and the countries to which students are to be sent. The Ministry of Education selects students for study abroad under instructions from the party, which carries out the final screening of the applicants.

The main fields of study abroad are languages, science and technology and the arts. The destinations include the six East European countries, Finland, seven African countries, including Angola, three Asian countries, including the People's Republic of China and Iran, and two Latin American countries, including Cuba.

Theoretically, students with an ideologically reliable family background and good academic accomplishments are supposed to be chosen for study abroad. In practice, however, influence counts most. Accordingly, children and other close relatives and in-laws of ranking party officials make up most of north Korean students sent abroad.

Once every third year, north Korean students studying abroad are summoned back home during a vacation for "political education." In such remote places as Africa, political education is conducted at the north Korean embassies in the host countries to save the cost of travel back home.

North Korean students studying abroad are forbidden to visit the homes of foreigners, to listen to or watch foreign broadcasts, to date foreign women or go to movie theaters, discotheques and the like. Their passports are kept at north Korean embassies and they must obtain approval from the embassies if they want to travel outside the embassies' jurisdiction.

North Korean students studying in Czechoslovakia have to attend a "political ideology study session" at the north Korean embassy on the first and third Saturday of each month. Such sessions last four to five hours. In addition, students in each region have to attend a meeting for a "life appraisal session" supervised by north Korean intelligence agents during the second and fourth week of each month. On such an occasion, each attendant is required to critically discuss what he did each week in light of the code of conduct prescribed by north Korean ideology.

On Jan. 26, prior to defecting, Cho visited education attache Ho at the north Korean embassy in Prague and managed to get his passport back from the embassy's custody by lying to him that he needed it to get his

temporary residence permit reissued because he had lost it. As for Kim, he fortunately had not returned his passport to the embassy after obtaining a new temporary residence permit to replace an expired one.

North Korea grants living allowances as part of scholarships to students studying abroad. In the case of Czechoslovakia, each student receives 1,140 koruna (about US\$80) a month from the home government. However, little money is left after room and board are paid. Accordingly, north Korean students in that country have to work during their vacations. Typical jobs include loading and unloading railroad freight, transporting news papers and magazines and working on farms.

Kim earned 7,000 koruna by loading and unloading freight at a railroad terminal in Prague for four months, while Cho made 3,000 koruna by picking strawberries for a month at a suburban farm. North Korean intelligence agents make money by smuggling, taking advantage of their diplomatic status. Moreover, they make north Korean students who work during their vacations contribute 500 koruna each to the embassy.

The Czech publications from which they obtained information about south Korea included "Motor World," which reported the rapid growth of the south Korean auto industry and noted that the south Korean economy is one of the fastest growing in the whole world; "The World in Pictures," which covered the Seoul Olympics and the city of Seoul; and "Red Rights" and "Freedom," both of which ran special features on south Korea timed with the Seoul Games.

In addition, Czech television reported in July 1988 that capitalist nations in Europe are importing large quantities of electronic products from south Korea because they are of good quality but inexpensive. Cho and Kim also heard from other foreign students studying in Prague that south Korea was well developed and that East European socialist countries want to have economic exchanges with the South.

Hyosung Files Claim on Coal Imports From North
SK2403013689 Seoul THE KOREA TIMES in English
24 Mar 89 p 8

[Text] The Hyosung Corporation has filed a \$250,000 claim against Len Ming Co., the Hong Kong-based intermediary, as North Korean anthracite coal, imported through the company in February, turned out to be pulverized coal, not lump coal as indicated in the contract, it was learned yesterday.

Len Ming Co. will also file a claim against North Korea, based on a claim raised by Hyosung, and future South-North economic exchanges are expected to be affected a great deal by the Pyongyang's attitude toward the deal.

An investigation into the quality and ratio of lump coal found that more than 70 percent of 20,900 tons of coal delivered to Hyosung was pulverized coal rather than the lump coal it had ordered, breaching an initial contract agreement.

Hyosung said it had imported North Korean lump coal worth \$825,000 at the price of \$39.50 per ton, and that it suffered a \$250,000 loss from the breach of agreement by North Korea.

Pro-Pyongyang Association Members To Visit
SK2403012489 Seoul THE KOREA TIMES in English
24 Mar 89 p 2

[Text] A total of 1,313 Korean residents in Japan, all belonging to the pro-Pyongyang association of Chochongnyon, will visit South Korea in 13 groups from Monday through Wednesday to pay homage to their ancestors' tombs.

During their stay here, the Koreans will look around Olympic facilities, tourist sites and key industrial plants such as the Pohang Iron and Steel Co., and Hyundai Motor Co., the Foreign Ministry said yesterday.

They will also visit their hometowns and meet relatives.

A total 47,000 Chochongnyon members have so far visited their fatherland on the tomb-serving day of Hansik or the full-moon festival of Chusok since the government-sponsored home-coming program started in 1975.

The ministry said that more Korean nationals in Japan would come to South Korea this year.

Poet Ko Un, Four Others To Attend Talks
SK2403011889 Seoul THE KOREA HERALD in English
24 Mar 89 p 9

[Text] The Association of Writers for National Literature has selected its delegation for a preliminary meeting to the proposed south-north writers meeting slated at 10 a.m. March 27 at Panmunjom.

The association has also decided to request the National Unification Board, the Ministry of Culture and Information and the U.S. Embassy for help, reports said.

Poet Ko Un has been named chief representative of the delegation which also includes literary critic Paek Nak-chung, poet Sin Kyong-nim, novelist Hyon Ki-yong, and poet Kim Chin-kyong as representatives.

Cho Sun on Trade With U.S., Other Countries
SK2403042389 Seoul KYONGHYANG SINMUN
in Korean 21 Mar 89 p 5

[Interview with Cho Sun, deputy prime minister and minister of the Economic Planning Board, by Kim Yong-sul, deputy director of the KYONGHYANG SINMUN Editorial Department; date and place not given]

[Excerpt] [Passage omitted] [Kim Yong-sul] Trade disputes are constantly arising between Korea and the United States these days. Because President Bush was sworn in not long ago, it seems that the United States will strongly pressure Korea to open its markets. Coincidentally, the anti-U.S. sentiment is now surging in Korea. I doubt the people will accept it if the government opens our markets for agricultural, livestock, and other products.

[Cho Sun] Trade disputes will exist for a long time. This is because it will be difficult for the United States to substantially reduce its trade deficit. Trade disputes will also arise between us and the European Community, Japan, and China.

It is not beneficial for us to have a sense of enmity toward our partners even if disputes arise between us. We must recognize that our partners have reasons for pressuring us.

In conclusion, in order to become prosperous, we should not make unnecessary trouble with powerful countries. Nevertheless, we must not believe powerful countries too much or consider them our suzerain states. Burning the Stars and Stripes is like committing suicide.

According to a saying: If we get involved in accidents by surprise, we will flexibly deal with them and will not be surprised.

[Kim Yong-sul] North-South exchanges, including a visit to North Korea by Chong Chu-yong, the honorary chairman of the Hyundai Group, seemed to be booming earlier this year. However, these days, nothing is heard on North-South exchanges. What do you think are the prospects of North-South economic relations?

[Cho Sun] North-South economic exchanges cannot be promoted only through South Korea's efforts.

Currently, anthracite coal, Alaska pollacks, zinc bars, and other North Korean products are being imported. However, the North Korean side insists that it has never conducted economic exchanges with South Korea. As long as North Korea continues to insist on this, exchanges cannot be expanded. The North Korean side must first show sincerity so that South Korea can invest in North Korea free from care.

[Kim Yong-sul] I know that we are vigorously pushing ahead with economic exchanges with China, the Soviet Union, East European countries, and other communist-bloc countries. However, very many people doubt that we will be able to get actual benefits from these exchanges.

[Cho Sun] I would not say that our exchanges with communist countries are not beneficial to us at all. We are pushing ahead with exchanges with the expectation that they will be beneficial to us economically and diplomatically. The biggest obstacle is that most of the communist countries have no money. They request money and technology, and they say they will give us timber, mineral ores, and natural resources in exchange. They ask us to cut timber by ourselves and to catch fish by ourselves. I think that China, among them, is the most promising. This is because China is near us geographically and because we have a long history of relations.

[Kim Yong-sul] Then, coastal areas on the West Sea, which are near China, have good prospects of development.

[Cho Sun] Of course. However, we must not think that this can be done overnight. China's economic development is in its infant stage. Therefore, if some amount of money is invested, inflation will immediately follow. This is very similar to our situation in the sixties. Even though the waves of open doors are pounding on China, I am not sure whether reforms will be successful because it is basically a communist country. [passage omitted]

EC Vice President, Trade Minister Hold Talks
SK2403032089 Seoul YONHAP in English 0307 GMT
24 Mar 89

[Text] Seoul, March 24 (YONHAP)—The vice president of the European Commission, in Seoul for three days of talks on trade issues, Thursday called for negotiations with South Korea and Japan to revitalize the global shipbuilding industry.

Martin Bangemann, who arrived Wednesday, also told Trade and Industry Minister Han Sung-su that Korea must open its market wider to imports of automobiles, liquor and intellectual properties from the European Economic Community.

He asked Korea and Japan to adjust their shipbuilding export volume and increase their prices to boost the slumped shipyards of the world.

Bangemann charged that Korean taxes on imported vehicles that are imposed as high as 200 percent, are too heavy. The German also called for a cut in import taxes on whiskey and cognac, which he said are subject to heavier taxation than Korean distilled liquors.

Experts should meet to settle the debate over Korea-EEC intellectual property rights within this year, he said.

Han responded that Korean shipbuilding accounts for only 10 percent of the world volume, and Korea is making efforts to increase vessel prices.

The price of VLCC-class vessels (about 200,000 DWT) has jumped 110 percent since 1987, with an 80 percent price increase for Suezmax-class ships (about 150,000 DWT) and a 70 percent rise for Panamax-class ships (about 75,000 DWT), Han said.

Korea has lowered the maximum duty on imported cars to 108 percent and European cars, which are mostly bigger than Korean cars, have a large share of the Korean market considering the unpopularity of big cars, Han said.

Han complained that France has withheld import approval of Kia's motor vehicle "Besta" for eight months, but promised cooperation on the meeting of experts to tackle intellectual property rights.

Han said he hoped Korea and the EEC could reach a negotiated settlement of anti-dumping suits on eight Korean export items.

Shipments To Western Europe Continue To Fall
SK2403045289 Seoul YONHAP in English 0446 GMT
24 Mar 89

[Text] Seoul, March 24 (OANA-YONHAP)—Shipments to Western Europe dropped to 9,353 teus (twenty-foot equivalent units) in February, down 20.2 percent over last year and a 7.2 percent fall from the previous month, maritime sources said Friday.

They said the decrease was part of the nation's overall sluggish export performance and rising trade barriers in the European Economic Community.

The top shipping line was Taiwan's Evergreen with an 11.3 percent market share, followed by Yangming Line, also from Taiwan, with 8.7 percent, West Germany's Hapag-Lloyd with 8.5 percent and Senator Line with 6.8 percent, and South Korea's Hanjin Container Lines with 6.7 percent and Choyang Line with 6.2 percent.

Hanjin and Choyang boosted their shipments to the EEC 2 percent and 19.2 percent, respectively, since leaving the conference at the start of this year.

Nonconference lines had a 57.3 percent market share.

Cargo carried by the trans-Siberian railroad fell 4.4 percent from January to 698 teus.

Import Ban on 84 Japanese Items To Be Lifted
SK2403020089 Seoul YONHAP in English 0131 GMT
24 Mar 89

[Text] Seoul, March 24 (YONHAP)—An import ban on 84 Japanese items will be lifted in April because South Korea's chronic trade deficit with Japan is shrinking, the Trade and Industry Ministry said Friday.

Restrictions on 14 other items from Japan will be eased.

They are among 344 products targeted since 1978 by a policy to diversify import sources from Japan to rectify the trade imbalance, which has declined from 5.44 billion U.S. dollars in 1986 to 3.92 billion dollars in 1988.

Imports from Japan expanded from 10.87 billion dollars in 1986 to 15.93 billion dollars last year, but declined from 34.4 percent to 30.7 percent of all imports. The comparable figures for last year were 24.6 percent for the United States, up from 20.7 percent, and 13.6 percent of Europe, up from 12.4 percent, according to ministry data.

The 84 items to be dropped from the list of goods subject to diversification include polyvinyl chloride (PVC) fabric, polyurethane fabric, semiconductor-manufacturing wires, acid dyes, carding machines, radar apparatus, safety belts, ballpoint pens, sound-reproducing apparatus, optical fiber cables and upright and grand pianos.

The 14 items due for partial reduction of import restrictions include photographic paper, coating machines, crane lorries and diesel engines, the ministry said.

It said imports from Japan will rise 300 million dollars per year as a result of the measure, and it will gradually remove the remaining restrictions on products from Japan in order to avoid trade friction.

Some analysts have criticized the move as premature, pointing out that imports from Japan are growing and that Japan is moving to restrict imports of Korean cement and steels.

Accelerating Investments in Southeast Asia
SK2403031689 Seoul YONHAP in English 0254 GMT
24 Mar 89

[Text] Seoul, March 24 (YONHAP)—South Korean conglomerates are accelerating their investments in Southeast Asia, which is rapidly overtaking the United States as the largest market for Korean merchandise.

The Southeast Asian market absorbed 34 percent of South Korea's exports last year, following 35 percent for the United States, and is expected to become the largest market soon.

The Korean concerns are transferring their production facilities to the region, especially in the textile, sewing, electronic, construction and steel sectors, owing to its steady economic growth as well as low wages and other advantages as a production base.

Lucky-Goldstar will begin production in the Philippines in April and Indonesia in November, following opening of an electronic goods factory and sales outlet, business sources said Friday.

Samsung is scheduled to complete construction of a footwear factory and chemical seasoning mill in Indonesia in July. It has also concluded an agreement to set up a joint venture in Indonesia to produce 60,000 refrigerators a year and plans to extend its operations in the clothing and steel manufacturing sectors.

Ssangyong, which has been active in construction in the region, will open a jacket sewing factory in Indonesia in May and plans to set up a distributor for the local market and China.

Hyundai has construction projects worth at least 400 million to 500 million U.S. dollars planned for Southeast Asia and is seeking a tie-up with a Japanese company in the region.

Investment Agreement Concluded With Thailand
SK2403082989 Seoul YONHAP in English 0815 GMT
24 Mar 89

[Text] Bangkok, March 24 (YONHAP)—South Korea and Thailand concluded an agreement here Friday aimed at expediting investments between enterprises of the two countries.

The pact was signed by South Korea's Foreign Minister Choe Ho-chung and his Thai counterpart, Sitthi Sawetsila.

Under the agreement, each other's firms will be granted most-favored-nation treatment when they extend their business operations to the other's nation.

The two foreign ministers discussed the situation in Northeast Asia, including the Korean peninsula, and in Southeast Asia, including Kampuchea.

Their discussions covered relations between South and North Korea, South Korea's diplomatic policy toward communist nations, ways to cooperate in the Asia-Pacific region, South Korea's cooperation with the Association of Southeast Asian Nations (ASEAN) and how to expand economic exchange between the two countries.

Choe arrived here for a five-day visit during which he will also deliver a key-note speech at an ESCAP [Economic and Social Commission for Asia and the Pacific] meeting.

Correction to Diary of North Korea

The following correction pertains to the item headlined "Diary of Scenes From Visit to North Korea," published in the 22 March East Asia DAILY REPORT, page 12:

Column two, sourceline and subslug should read: ...28 Dec 88] (new line)

[Article by Yi Chan-sam, Chicago bureau chief...(supplying dropped author's name)]

Burma

Patriotic Youth Party Forms Leading Committees *BK1203125889 Rangoon WORKING PEOPLE'S DAILY* *in English 5 Mar 89 p 2*

[Text] The Committee of Patrons and Central Executive Committee of the Patriotic Youth Party have been formed with the following persons. Committee of Patrons

1. U Zaw Pe Win, AR-MAN, writer Si-man-gain Win Naing
2. U Kyee Myint

Central Executive Committee

- | | |
|---|-------------------|
| 1. U Htoo Aung (alias) U Win Myint Aung | Chairman |
| 2. U Tin Oo | General Secretary |
| 3. U Aye Min Tun | Member |
| 4. U Win Zaw | Member |
| 5. U Khin Maung Lwin | Member |
| 6. U Aung Myo | Member |
| 7. U Myo Zaw | Member |
| 8. U Myint Lwin | Member |
| 9. U Ko Ko | Member |

More Political Parties Issue Aims, Programs

Patriotic Indigenous Physicians

BK1703095489 Rangoon Domestic Service in Burmese
1330 GMT 16 Mar 89

["Press Release No 96/89 of the Commission for Holding Democratic Multiparty General Elections, dated 16 March 1989—the 10th day of the waxing moon of Tabaung, 1350 Burmese era"]

[Text] 1. The following are the extracts of the objectives and future programs of the Patriotic Indigenous Physicians League, which has registered with this Commission for Holding Democratic Multiparty General Elections in accordance with the Political Parties Registration Law, and which has its headquarters at No 25, Thitsa Street, 10th Ward, South Okkalapa Township, Rangoon Division.

2. Aims

- A. To work for the emergence of genuinely democratic government which is elected by the majority of the people and which will guarantee the basic human rights.
- B. To create conditions which will always make Burma exist as a democratic state in the future.

3. Programs

- A. To organize and campaign for people including indigenous physicians to love the democratic system and strengthen union spirit.

B. To join hands and form alliance with fraternal organizations with the same objectives for the successful implementation of these objectives.

C. To work for conditions conducive to holding free and fair general elections for the emergence of genuinely democratic government which is in accord with the wishes of the majority of the people.

National Democracy Establishment

BK1703133589 Rangoon Domestic Service in Burmese
1330 GMT 16 Mar 89

["Press Release No 95/89 of the Commission for Holding Democratic Multiparty General Elections, dated 16 March 1989—the 10th day of the waxing moon of Tabaung, 1350 Burmese era"]

[Text] 1. The following are the extracts of the objectives and future programs of the National Democracy Establishment Party, which has registered with the Commission for Holding Democratic Multiparty General Elections in accordance with the Political Parties Registration Law, and which has its headquarters at No 178, Second Floor, 32d Street, Pabedan Township, Rangoon Division.

2. Aims:

A. To establish a democratic ideology with equality which is suitable to traditions, beliefs, and systems of all national groups of the Union of Burma wherein live multitudes of national people.

B. To maintain and safeguard the sovereignty of the country and democratic human rights of the people.

C. To cultivate and nurture young people between the ages of 16 and 30 for development of their physical, mental, moral, social, and material strengths to make them future good leaders.

3. Programs:

A. To join hands with national people to safeguard together the progressive and independent ideologies of the state.

B. To build together a democratic union by joining hands with all national people, irrespective of race, religion, or class.

C. To exist as a state with genuine nonalignment without aligning with any leftist or rightist developed countries.

D. To maintain friendly and mutually beneficial relations with all countries for the good of the country and for the development of science and industry.

People's Reporters Association

*BK1803094289 Rangoon Domestic Service in Burmese
1330 GMT 17 Mar 89*

["Press Release No 98/89 of the Commission for Holding Democratic Multiparty General Elections, dated 17 March 1989—the 11th day of the waxing moon of Tabaung, 1350 Burmese era"]

[Text] 1. The following are the extracts of the objectives and future programs of the People's Reporters Association, which has registered with the Commission for Holding Democratic Multiparty General Elections in accordance with the Political Parties Registration Law, and which has its headquarters at No 270, Seikantha Street, Kyauktada Township, Rangoon Division.

2. Aims:

- A. To present news which the people should know in a correct, accurate, and impartial manner in the interests of the people and the state.
- B. To cooperate among reporters to uplift their life.
- C. To establish friendly contact and relations with international reporters, journalists, and literary circles.
- D. To promote democratic practices and to contest in elections.

3. Programs:

- A. To present correct news in writing reports for the people and to collectively solve problems.
- B. The association will publish newspapers, journals, and magazines to enable the people to read correct news.
- C. To give assistance to members of the association on social occasions and in times of bereavement.
- D. To cooperate with other organizations which have common objectives and programs.
- E. To carry out other suitable programs which would contribute to the association's goals.

Party for National Democracy

*BK1903092989 Rangoon Domestic Service in Burmese
1330 GMT 18 Mar 89*

["Press Release No 99/89 of the Commission for Holding Democratic Multiparty General Elections, dated 18 March 1989—the 12th day of the waxing moon of Tabaung, 1350 Burmese era"]

[Text] 1. The following are the extracts of the aims and future programs of the Party for National Democracy, which has registered with the Commission for Holding Democratic Multiparty General Elections in accordance with the Political Parties Registration Law, and which has its headquarters at No 54/56, University Avenue, Bahan Township, Rangoon Division.

2. Aims:

- A. To build a new genuine democratic union that guarantees basic human rights.

B. To make efforts toward the growth and development of democratic principles and practices as well as of the union spirit throughout the entire nation to make true the establishment of such a new union.

C. To obstruct, oppose, and destroy all forms of policies and lines that disrupt and hamper basic human rights, the national unity, and the development of genuine democracy.

D. To believe in and to accept the policies and stand of, and to dynamically cooperate with the National League for Democracy for the sake of developing genuine democracy and of ensuring basic human rights for the entire people.

3. Programs:

- A. To strive for the establishment of a new democratic Union in which the people of all nationalities shall enjoy equal rights and shall reside together for all times.
- B. To nurture socioeconomic bases and arrangements needed for the establishment of a new democratic Union of Burma.
- C. To maintain and safeguard the democratic as well as the basic human rights of the people, and to fight and object when these rights are affected or suppressed.

National Solidarity Front

*BK1903093989 Rangoon Domestic Service in Burmese
1330 GMT 18 Mar 89*

["Press Release No 100/89 of the Commission for Holding Democratic Multiparty General Elections, dated 18 March 1989—the 12th day of the waxing moon of Tabaung, 1350 Burmese era"]

[Text] 1. The following are the extracts of the aims and future programs of the National Solidarity Front, which has registered with the Commission for Holding Democratic Multiparty General Elections in accordance with the Political Parties Registration Law, and which has its headquarters at No 397, 84th Street, between 38th and 39th Streets, West Maha Aungmye, Mandalay Southeast Township, Mandalay Division.

2. Aims:

- A. To build a new national democratic republic which is politically independent, economically self-reliant, peaceful, and modern, which fully guarantees democratic and human rights, and where unity of all nationalities prevails on the basis of equality.
- B. To strive for democracy, peace, and national unity.

3. Programs:

- A. To cooperate and strive together with all genuine democratic forces for the emergence of a great democratic front with a national character;
- B. To strive toward the implementation of a new state constitution that is in accordance with a multiparty system under which democratic rights enshrined in the UN Charter and the Universal Declaration on Human Rights are firmly guaranteed.

C. To firmly defend the rights of the national groups by building equality among all the nationalities and by standing firm on the fundamental principle of perpetuating the union.

D. To fully provide guarantees regarding the right to freely earn one's living—the right to own productive capital, to freely produce, and to freely trade—so long as such an exercise is not contrary to national economic interests.

E. To permit the peasantry the ownership and transference of farmland and the right to freely cultivate, mill, store, and sell on the basis of the principle that the tillers shall be owners of farmland.

F. To introduce a free basic education and to practice a democratic education system that is of world standards and is in accordance with the requirements of the nation.

G. To legislate social security laws that genuinely promote the interest of the workers.

H. To promote the standard of living and cultural life of workers and to work toward giving them a secure future.

I. To maintain and safeguard world peace by grasping the five Bandung principles and by cooperating and having friendly relations with the community of world nations.

United Nationalities Democracy League

BK2103015489 Rangoon Domestic Service in Burmese
1330 GMT 19 Mar 89

["Press Release No 101/89 of the Commission for Holding Democratic Multiparty General Elections, dated 19 March 1989—the 13th day of the waxing moon of Tabaung, 1350 Burmese era"]

[Text] 1. The following are extracts of the objectives and future programs of the United Nationalities League for Democracy, which has registered with this Commission for Holding Democratic Multiparty General Elections in accordance with the Political Parties Registration Law, and which has its headquarters at No 8, 1st Bahan Street, Bahan Township, Rangoon Division.

2. Aims

A. All political parties that are members of the league will respect the freedoms regarding basic human rights guaranteed by the UN Charter and will work together for genuine democracy.

B. To strive to the utmost for the perpetuity of the Union of Burma.

C. To work together for racial and political equality among all the nationalities and for these people to have full autonomy.

D. For the people of all nationalities to work collectively for their own economic growth in harmony with their territorial conditions.

E. To work together for the development of education, health, culture, literature, and social life of all the nationalities.

F. To maintain and promote the customs and traditional laws of the nationalities provided they do not hamper progress.

G. To strive together to implement a foreign policy that is in the interest of the nation and is independent and active, and that is based on the five principles of peaceful coexistence among nations.

H. To strive through just and peaceful means for peace at home and the world in general.

League of Democratic Alliance

BK210301589 Rangoon Domestic Service in Burmese
1330 GMT 20 Mar 89

["Press Release No 103/89 of the Commission for Holding Democratic Multiparty General Elections, dated 20 March 1989—the 14th day of the waxing moon of Tabaung, 1350 Burmese era"]

[Text] 1. The following are extracts of the aims and future programs of the League of Democratic Alliance, which has registered with this Commission for Holding Democratic Multiparty General Elections in accordance with the Political Parties Registration Law, and which has its headquarters at No 82, Boh Aung Gyaw Street, Botataung Township, Rangoon Division.

2. Aims

A. To bring to an end in the Union of Burma, fascism, all forms of dictatorship, and foreign-influenced administrative systems.

B. To work for the emergence of a sovereign democratic union in which unity prevails among the people of all nationalities.

C. To work jointly with others for the full enjoyment of democratic and human rights.

D. To oppose major race chauvinism and narrow-minded racism, and to build friendship and solidarity among all the nationalities.

E. To disseminate among the people the democratic practice of holding discussions among the many, deciding by a majority, and implementation by all involved.

3. Programs

A. To seek from all quarters measures to overcome the political, economic, and social hardships and the general crisis [preceding word in English] being encountered in the country.

B. To work through all means for the holding of free and fair multiparty general elections.

C. To cooperate, mobilize, organize, and act together for the emergence of a truly democratic national government in the Union of Burma.

D. To consult and cooperate with the other parties and the people of all nationalities so that a new constitution of the Union of Burma can be democratically drafted and implemented.

E. To strive in cooperation for the holding of new general elections under a newly drafted state constitution.

F. To build mutually beneficial relations with the other nations on the basis of the five principles of peaceful coexistence.

G. To create conditions under which the public, private, and cooperative sectors and local and foreign joint ventures that support national economic development are guided by free market principles.
H. To work toward making the tillers become the owners of farmland and to permit free cultivation, storage, milling, transport, and sale of agricultural crops.
I. To strive for job security.
J. To permit factory and office workers to freely organize among themselves.
K. To strive toward the establishment of a national education system that is independent and democratic.
L. To strive for a free medical plan for all citizens.
M. To strive for the emergence of a national defense force that respects and safeguards the new state constitution and protects the causes of the nation, democracy, and peace.

Democratic Front

*BK2103024089 Rangoon Domestic Service in Burmese
1330 GMT 19 Mar 89*

["Press Release No 102/89 of the Commission for Holding Democratic Multiparty General Elections, dated 19 March 1989—the 13th day of the waxing moon of Tabaung, 1350 Burmese era"]

[Text] 1. The following are extracts of the objectives and future programs of the Union of Burma Democratic Front, which has registered with this Commission for Holding Democratic Multiparty General Elections in accordance with the Political Parties Registration Law, and which has its headquarters at No 5/1, U Gwe Street, Sanchaung Township, Rangoon Division.

2. Aims

A. To build solidarity without affecting the independent decisionmaking rights of party organizations and individuals who believe in democracy.
B. To strive to the utmost for the establishment of a republic that will democratically practice a multiparty system which prevents the emergence of any form of dictatorship.
C. To strive to the utmost for the implementation of a constitution that will genuinely lead to a greater unity of the Union and that embodies a general recognition of the basic autonomous rights of the people of all nationalities—a key factor for the perpetuity of the Union.
D. To strive through the strength of unity to prevent the loss of democratic rights and basic freedoms.
E. To have the party organizations and the individuals within the Democratic Front to give priority to the collective work aimed at implementing the Front's policies, aims, and programs.
F. To strive for the formation of a united front with the other fronts, allied organizations, and groupings that have emerged in the same manner as our front.

3. Programs

A. To carry out preliminary democratic reforms essential for the quick holding of fair and free general elections.

B. To ensure that education programs, which are necessary for the development of society, operate democratically and systematically without any disruption.
C. To strive for the attainment of just rights of factory and mill workers and public service personnel.
D. To strive to fully protect the rights of peasants to own land as well as their right to freely cultivate, produce, and trade in agricultural crops.
E. To cooperate with any democratic force or individual for the implementation of a genuine Union constitution.
F. To strive to the utmost to bring an end to the armed conflicts at home and to bring about peace domestically.

Arakan People's Democratic Front

*BK2103034089 Rangoon Domestic Service in Burmese
1330 GMT 20 Mar 89*

["Press Release No 104/89 of the Commission for Holding Democratic Multiparty General Elections, dated 20 March 1989—the 14th day of the waxing moon of Tabaung, 1350 Burmese era"]

[Text] 1. The following are extracts of the aims and future programs of the Arakan People's Democratic Front which has registered with this Commission for Holding Democratic Multiparty General Elections in accordance with the Political Parties Registration Law, and which has its headquarters at No 250, U Ottama Street, Rupa North Ward, Sittwe, Rakhine State.

2. Aims

A. To work for the emergence of a modern, progressive, and genuine Union, and to draft a state constitution that guarantees internal peace on the basis of equality and unity.
B. To cooperate with the democracy-loving forces of the nationalities and to build a genuine Union.
C. To strive for full autonomous and equal rights among all the nationalities.
D. To coexist peacefully with world nations, particularly with neighboring countries, and to cooperate for mutual benefit with all nations on the basis of the UN Charter and the Universal Declaration on Human Rights.
E. To strive for the development of the national interests of all the people, including peasants, workers, intellectuals, and technicians, on the basis of the unity among the political parties that represent the Rakhine people.
F. To strive for economic and social development among the national people within the Rakhine State.

3. Programs

A. To strive for the perpetuity of a multiparty parliamentary democracy system in the Union of Burma.
B. To draft a new state constitution that guarantees the Rakhine nationals equal rights with those of other nationalities as well as full autonomy.
C. To work for the friendship and unity of nationalities so as to safeguard the independence and sovereignty, and ensure the perpetuity of the Union.
D. To strive for national economic development on the basis of fair and free market principles.

- E. To permit freedom to produce and trade in the agricultural sector and to strive for the peasants to own land.
- F. To strive for the introduction of a free and compulsory education until the middle school level with the aim of developing the capability of youths.
- G. To permit students the right to choose subjects of their choice at colleges and universities.
- H. To strive to the utmost for a free medical plan aimed at boosting national health.
- I. To promote freedom of expression so as to develop the customs, traditions, culture, literature, and arts of the Rakhine people, and to consult, exchange experiences, and cooperate with the other nationalities.

Brunei, Malaysia & Singapore

Malaysia

Mahathir Discusses Economy, Politics

BK1603120089 Kuala Lumpur NEW STRAITS TIMES
in English 14 Mar 89 pp 1-2

[By A. Kadir Jasim]

[Excerpt] Kuala Lumpur, Mon. [13 March]—Prime Minister Datuk Sri Dr Mahathir Mohamed, who is recovering well from a coronary bypass operation, said he was very pleased with the recovery of the Malaysian economy.

He told the NEW STRAITS TIMES just before leaving for a three-week holiday abroad last night that every nation-loving Malaysian could take pride in the economic progress and political stability of the country.

Dr Mahathir said loyal Malaysians had once again proved to the prophets of doom that their predictions about impending political chaos and economic disintegration of the country were malicious and incorrect.

Sadly, said the Prime Minister, there were Malaysians who were convinced of these predictions. Some had in fact joined them in condemning this country at home and abroad.

Now that the recovery of the economy was gaining momentum, said the Prime Minister, every Malaysian, regardless whether he was a politician, civil servant, entrepreneur, factory worker or self-employed, should strive harder to take advantage of the improving economic environment.

"All of us must be prepared to make sacrifices now for a better future," he said in an exclusive interview.

The Prime Minister said there are still so many things to be done to make Malaysia a better place to live in despite the rapid progress of the last three decades.

"We should concentrate our efforts on them rather than speculating about unnecessary things or listening to rumours," he added.

Dr Mahathir said he had a lot of time to contemplate as he was recovering from the operation.

"Among the first things that came to my mind was how lucky I am, and all of us are, being Malaysians. In many other developing countries, someone with an illness like mine would have to be flown thousands of miles to a foreign hospital for treatment.

"But in our country today, a coronary bypass is such a common surgical procedure that our doctors and technicians confidently and expertly perform it without much fuss," said the Prime Minister.

Dr Mahathir also said there were so many things Malaysia could do to achieve greater economic progress if only more Malaysians were willing to avoid carping about things and put their shoulders to the wheel and look to the future with confidence and commitment.

He said he would rather be criticised or even condemned for doing things which he believed would be good for the country and the people in the long run, rather than being praised and loved for doing only the popular things.

"We were condemned and criticised locally and internationally long after we started the national car project. But now that Proton Saga is doing well, even winning international awards, very few people care to even say well done to those who worked to make this project a success," said the Prime Minister.

He said he did not seek praise or salutations for what he did.

"I am merely doing what I think is right after consulting my Cabinet colleagues.

"But I think those workers and managers who have put so much effort in making Proton Saga a good car deserve some praise." [passage omitted]

Interviewed by London Paper

PM1603144789 London THE DAILY TELEGRAPH
in English 16 Mar 89 p 18

[Report on interview with Prime Minister Mahathir by diplomatic correspondent Simon Scott Plummer: "Mahathir Accuses Opponents"]

[Text] Dr Mahathir, Malaysia's Prime Minister, who has curbed judicial, press, political and individual freedoms in his fight to stay in power, denies having weakened democracy, and accuses his opponents of splitting the ruling party.

In London for medical treatment, Dr Mahathir, 63, appeared frail, having lost nearly a stone and a half since undergoing heart bypass surgery in January. In his first interview since the operation, he spoke slowly and softly. However, there was no doubt of his determination to remain Prime Minister.

Mrs Thatcher paid a 45-minute call on him yesterday at the Malaysian High Commission.

The two leaders discussed a deal under which Britain will supply 1.5 billion pounds sterling of defence equipment to Malaysia over 15 years and welcomed an agreement to increase flights between each other's capitals from five to seven a week.

Speaking to THE DAILY TELEGRAPH in his flat in Kensington, Dr Mahathir blamed Tengku Razaleigh Hamzah, former Trade and Industry Minister, and Datuk Musa Hitam, former Deputy Prime Minister, for destroying the political consensus within the ruling United Malays National Organisation (Umno).

"They broke the consensus, not me," Dr Mahathir said of the men who challenged him for the party presidency in April 1987, and narrowly lost.

He claimed that Tengku Razaleigh was "willing to sacrifice all the traditions of the party and the country".

Before 1987, consensus had existed because it was unthinkable for a senior Umno member to challenge the party president, who automatically becomes Prime Minister, Dr Mahathir said. He had told Tengku Razaleigh that, although it was democratic to contest, it was not Malay tradition, and would split the party. "And that is exactly what happened," he added.

Since the party election, Umno has been declared illegal, and Dr Mahathir has formed New Umno, which his supporters and some of his previous opponents, including Datuk Musa, have joined.

The prime minister said his narrow victory left him no choice but to take firm steps to secure his position. This has involved the detention of 106 political figures without trial, nearly all of whom have now been released; the temporary closure of three newspapers, and the dismissal of four Supreme Court judges.

"People had the feeling that the government was weak, that I was very weak, and therefore they thought that they could push me around," Dr Mahathir said.

"Naturally I had to take action to protect the government. If they have the impression that it can be pushed around, we will not only have problems running the government. Democracy itself is threatened."

His concern, in a country with a mixed population of Malays, Chinese and Indians, was that people would "try to take advantage of racial animosities, stirring up racial feelings".

This had led to racial rioting in 1969, "and we are not going to allow it to happen again".

Dr Mahathir said the New Economic Policy [NEP], introduced after the 1969 riots to better the lot of "bumiputras" (Malays and other indigenous people), had failed to meet its targets because the government had been in too much of a hurry.

"People tried all sorts of things: giving handouts, creating companies which were not viable, transferring whole lots of civil servants to manage companies, for which they had little experience".

Under the successor to the NEP, which is being discussed, "We would like to see Malays and other indigenous people succeed more under their own steam rather than with too much mollycoddling by the government".

Dr Mahathir's hosting of the biennial Commonwealth Heads of government Meeting in October marks a sea-change in his attitude towards the 48-member organisation; he did not attend such a meeting until 1985.

"The Commonwealth didn't seem to be a sharing of wealth at all," he said, referring to what he claimed was Britain's tendency to take Malaysia for granted.

The British attitude had since changed, and a study done in Malaysia had recommended staying in. However, the richer members still needed to share their wealth with the others.

Dr Mahathir said he hoped in October to welcome back Pakistan, which left the Commonwealth in 1971 in protest at Indian intervention in the civil war in East Pakistan.

He would also like to see the return of Fiji, which lost its membership in 1987 after two coups by Col Sitiveni Rabuka.

"It is too bad to boot out a country that is so much in need of help," the prime minister said. "Trying to force them to accept other people's views is not going to have any result. It is better to take them in and show them the error of their ways."

Army Personnel Training in UK, Switzerland
BK1903084889 Kuala Lumpur International Service in English 0800 GMT 19 Mar 89

[Text] The Malaysian Army has ordered artillery and anti-aircraft guns worth 259 million ringgit from Britain and Switzerland. Its Deputy Chief Lt.-Gen Datuk Nik Mahmud Fakaruddin Kamil said the Royal (?Ordnance)

155 mm field howitzer guns and the sophisticated Oerlikon 35 mm automatic anti-aircraft gun system were ordered in a contract signed last year. He said the two types of guns were selected from several makes after rigorous trials conducted in Malaysia and abroad.

He said 8 officers and men, who left early this year, were currently undergoing a familiarization and maintenance course at a royal ordnance facility in Britain and would send another batch for similar courses at the Oerlikon plant in Switzerland.

Lt.-Gen Datuk Nik Mahmud said another batch of army personnel had been sent to the two plants recently.

Joint Communique With Iran Stresses Cooperation
BK2303101989 Kuala Lumpur BERNAMA in English
0823 GMT 23 Mar 89

[Text] Kuala Lumpur, March 23 (OANA-BERNAMA)—Malaysia has expressed its readiness to participate in the reconstruction projects of Iran whenever Iran wishes for such cooperation, according to a joint communique.

The document was issued Wednesday [22 March] at the end of a five-day official visit to Iran by Malaysian Foreign Minister Abu Hassan Omar. A copy of the communique was issued by the Foreign Ministry here Thursday.

The communique says a trade agreement between the two countries was also signed during the visit.

It says that Abu Hassan and Iranian Foreign Minister Dr 'Ali Velayati discussed a wide range of bilateral issues, and voiced their satisfaction on the upward trend of these ties.

Both sides emphasised the importance of exchange of visits between their respective members of Parliament, and the key role of high-level discussions between the two countries.

They also expressed their support for the Islamic uprising of the Palestinian people in the occupied territories, and called for the complete liberalisation of the occupied territories from Zionist domination.

"Both sides supported the struggles of the Lebanese people for their sovereignty, national independence and territorial integrity," the communique adds.

The two countries also underlined the significance of unity in the Islamic world to oppose "world arrogance" and "international Zionism", without mentioning Israel.

They expressed the hope that the Islamic nations of the world, all of which are part of the unique Islamic ummah, will use their efforts to further consolidate this unity within the context of sublime teachings of Islam.

The communique also says that Malaysia and Iran welcomed the recent announcement made by the foreign ministers of the Organisation of Islamic Conference (OIC) at the Riyadh meeting, condemning Salman Rushdie, the author of "The Satanic Verses" which blasphemes Islam.

They urged the Islamic world to further oppose "such conspiracies made by arrogant powers."

It says they also lauded the struggle of Afghan Muslims in expelling foreign forces from their country, and supported efforts to establish a non-aligned and independent Islamic state composing all Afghan groups and strata.

Both countries also condemned the apartheid policy imposed by the Pretoria regime and voiced opposition to all forms of domination and exploitation of nations, the communique adds.

Action Directed Toward Book, Not Rushdie
BK2003094889 Kuala Lumpur BERNAMA in English
0917 GMT 20 Mar 89

[Text] Kuala Lumpur, March 20 (OANA-BERNAMA)—Malaysia banned the novel "The Satanic Verses" written by Salman Rushdie as it humiliated Islam, but action in any form was not taken against the writer.

Deputy Agriculture Minister Kassim Ahmad told the Lower House of Parliament Monday [20 March] that even though there was a country which wanted the writer to be eliminated, Malaysia had not taken any form of action against him.

"So far we have only banned the book," he added. Kassim said anyone in possession of the book was committing an offence and on conviction could be fined up to 5,000 ringgit (about 1,850 U.S dollars).

Importing, printing, reprinting or distribution of the book were also prohibited under the Printing Machines and Publications (Amendment) Act [of] 1987.

On conviction for any of these offences, a person could be jailed up to three years or fined up to 20,000 ringgit (about 7,400 U.S dollars) or both, he said.

Study Shows Palm Oil 'Hypocholesterolemic'
BK2403080589 Kuala Lumpur BERNAMA in English
0718 GMT 24 Mar 89

[Text] Kuala Lumpur, March 24 (OANA-BERNAMA)—It is no longer appropriate to group palm oil with the traditional sources of saturated fats because a study has shown that consumption of palm oil does not raise or increase the blood cholesterol level, Palm Oil Research Institute of Malaysia (PORIM) officials said Friday.

The results of the study by the Institute for Medical Research (IMR) on the consumption of palm oil by volunteers "clearly demonstrates that palm oil, like corn oil, should be regarded as being hypocholesterolemic, that is, dietary intake of palm oil does not raise or increase our blood cholesterol level," PORIM Director-General Prof Augustine Ong said.

He noted that there had been relatively few studies on the effects of palm oil consumption in humans.

To date, only six human studies had been conducted in the West (five in the United States and one in France) which had included palm oil as a test oil but which were not designed to test the effect of dietary intake of palm oil.

"Therefore, it was not surprising that the six studies showed that the consumption of a palm oil-enriched diet resulted in a higher serum cholesterol level when compared with that observed for diets which were rich in polyunsaturated oils such as safflower oil, corn oil and sunflower oil," he said.

He said, all these studies found that the serum cholesterol levels (after the palm oil testing period) were reduced by seven percent to 38 percent when compared with the pre-trial or starting values (when the subjects were consuming their normal Western diet).

Prof Ong said the study by the Malaysian Institute of Medical Research, on the other hand, was specifically designed to assess the effect of palm oil consumption.

The study found that 80 volunteers who were fed palm oil-enriched and corn oil-enriched diet demonstrated a significant decrease in their total serum cholesterol by 19 percent and 36 percent, respectively, when compared with the period they were fed coconut oil.

The study also showed that the so-called "bad" low-density lipoprotein (LDL) cholesterol (which plays an instrumental role in the transportation of cholesterol to be deposited in the arteries), was also significantly reduced by 21 percent and 42 percent respectively when compared with the coconut oil period, he added.

"This study clearly demonstrates that palm oil possesses a hypocholesterolemic effect as it distinctively lowered by significant amounts both the serum cholesterol and LDL-cholesterol levels when compared with the responses observed for a saturated oil," he added.

Cambodia

Hun Sen on Solution to Cambodian Issue

BK2403100089 Phnom Penh SPK in French 0406 GMT
24 Mar 89

[Text] Phnom Penh, 24 March (SPK)—In Phnom Penh yesterday morning Chea Sim, Kampuchean People's Revolutionary Party [KPRP] Central Committee Political Bureau member and Kampuchea United Front for

National Construction and Defense [KUFNCD] chairman, received a delegation from the Netherlands parliament, led by Senator Miss A.G. Lankhout, visiting Cambodia.

On 22 March Comrade Hun Sen, KPRP Central Committee Political Bureau member, Council of Ministers chairman, and foreign minister, received the Netherlands guests.

Chairman Hun Sen considered the delegation's visit an encouragement for the just struggle of the Cambodian people. He informed his guests about the positive changes occurring in Cambodia during the past 10 years as well as the development of the process of finding a political solution to the Cambodian problem, in particular the outcomes of the two informal meetings in Indonesia and those of his meetings with Sihanouk in Paris.

He said: "The People's Republic of Kampuchea [PRK] desires to convene as soon as possible a meeting among the opposing Cambodian parties, but, conversely, the other side always wants to delay the date of a meeting."

"Not long ago, I sent a letter to Prince Norodom Sihanouk proposing to convene a working commission meeting because the prince refuses to see me on the pretext that I reject his five-point proposal—a strange proposal put forth against international practice and imposed by a sole party to hamper the meeting beforehand. This is Sihanouk's maneuver to crush the PRK at the negotiating table and to hold onto what he and his allies cannot achieve on battlefields over recent years.

Hun Sen continued that "It is really regrettable that Sihanouk makes himself a hostage of the Khmer Rouge by agreeing to be the leader of the latter, held responsible for the death of millions of Cambodian people, including members of his royal family, and the samdech himself was a prisoner in the heyday of Pol Pot as well.

The prince still has a role to play in the settlement of the Cambodian problem, but he would use the key in his hand rather than resort to other peoples' keys. Frankly speaking, the samdech should neither totally bank on Chinese-Soviet negotiations nor continue to put himself under the illusion of dismantling the PRK if he really detests the Khmer Rouge because, among the opposing Cambodian parties, only the PRK is effectively fighting the Khmer Rouge. The dissolution of the PRK will only favor the return of the Khmer Rouge."

"The dissolution of the PRK and the creation of a new government in Cambodia are part of the right to self-determination of the Cambodian people," Chairman Hun Sen stressed.

With regard to general elections and the role of an international control commission, Hun Sen pointed out: "The PRK side will accept a larger formula than the one applied in 1955 by Prince Sihanouk for, at that moment,

the warring parties should have laid down their arms, but, now, all the parties can keep their arms as well as are beneficial of the status quo of the situation."

"Three options still remain open for settling the Cambodian problem. First, the internal and international aspects could be resolved in parallel, but this prospect is less promising. Second, the settlement of the international aspect would take place before that of internal aspect, and this is the current process. Third, in the absence of a solution, the total withdrawal of Vietnamese troops will be completed by 1990 or earlier in a unilateral manner according to an agreement concluded between the PRK and Vietnam."

PRACHEACHON Condemns High Council Proposal

BK2403020289 Phnom Penh Domestic Service in Cambodian 1300 GMT 23 Mar 89

[PRACHEACHON editorial: "An Erroneous and Dangerous Initiative"—date not given]

[Text] Recently, going against the joint efforts of the countries in the region and the world searching for a political solution to the Cambodian problem so as to quickly bring peace and security to the Cambodian people, Samdech Sihanouk turned to form the so-called High Military Council of the tripartite groups in an attempt to mobilize forces to blaze the trail for the Pol Pot clique to return to massacre the Cambodian people again.

Earlier, when the tripartite Democratic Kampuchean groups suffered repeated defeats on the diplomatic field, Samdech Sihanouk angrily said that he himself would be prepared to attack the government supported by the people in Phnom Penh after the Vietnamese Army volunteers are withdrawn from Cambodia. At the same time, in various refugee camps on Thai soil, the Pol Pot-Khmer Rouge group busily mobilized the refugees and forcibly turned these innocent people into political and military forces to oppose the rebirth of the Cambodian people. Sihanouk's son, Ranariddh, also went to Washington in order to ask for military aid from the United States for the tripartite Democratic Kampuchean groups.

All these activities of Sihanouk and the declaration on the formation of a so-called High Military Council with an aim to put the three armed forces under Samdech Sihanouk's command to promote their so-called military pressure on the Phnom Penh government constitute Sihanouk's grave misunderstanding regarding the current realities in Cambodia. Obviously, the attempt to settle the Cambodian problem through the use of force is an obsolete, outmoded idea. This is an erroneous and dangerous initiative which is not beneficial to Samdech Sihanouk. On the contrary, it will only plunge Samdech Sihanouk [words indistinct] and make the Cambodian people hate him even more.

The formation of the tripartite groups' High Military Council is in fact the formation of a superficial solidarity using Sihanouk's name [words indistinct] Pol Pot-Khmer Rouge clique to create favorable conditions for them to ask for foreign aid to carry on activities to hinder the process toward a solution to the Cambodian problem.

In the consensus statement publicized by the chairman of the second Jakarta informal meeting, JIM 2, all representatives of the People's Republic of Kampuchea [PRK], Vietnam, Laos, the ASEAN member countries, and the warring Cambodian groups stressed that the Cambodian problem must be resolved through political means with the aim of turning Southeast Asia into a zone of peace, stability, and cooperation. Therefore, who does Samdech Sihanouk serve in forming the so-called High Military Council of the tripartite groups? No one doubts that this is certainly aimed at bringing new bloodshed to Cambodia, which runs counter to the tendency toward international detente—the tendency jointly supported by all people in the world.

The Cambodian people vehemently condemn this dangerous scheme regarding the formation of the so-called High Military Council of the tripartite groups.

The reasonable solution to the Cambodian problem must be based on the PRK's six-point proposal put forth at JIM 2. This is a document that has a realistic program for regional peace, stability, and cooperation.

All designs which run counter to the tendency in the current era will inevitably fail.

Paper Cited on Rear Battlefield Policy

BK2003110589 Phnom Penh Domestic Service in Cambodian 2300 GMT 19 Mar 89

[PRACHEACHON editorial: "Paying More Vigorous Attention To the Policy Toward the Rear Battlefield"]

[Text] The task of implementing the policy toward the rear battlefield is an important one and a source of encouragement for the front battlefield. This policy, set up by the party and state, is appropriate to the great sacrifices of our cadres, combatants, and people, who have done their best in the cause of defending the beloved motherland. It has also increased and expanded the people's comfort and confidence in our party and state.

Our arduous and complicated struggle against the enemies still goes on. In a phase in which we fight and negotiate at the same time, the enemy's activities and dark maneuvers have become more perfidious; they are aimed at toppling the People's Republic of Kampuchea and paving the way for the genocidal Pol Pot regime to return to power in Cambodia and to massacre the Cambodian people again.

It is necessary that the entire party, armed forces, and people actively contribute to fighting the enemies to firmly defend national independence and revolutionary gains. In this process, a number of combatants have been killed, wounded, or maimed. As an appropriate response to this noble sacrifice, the party and state authorities, from provinces and municipalities down to villages, communes, and districts, have in the past 10 years paid great attention to closely cooperating with armed forces units stationed everywhere to increase the alliance and friendship between provinces and municipalities and divisions and units stationed along the border. They have also taken measures to provide assistance and to solve problems relating to the policy toward the rear battlefield, toward families with husbands serving in the Army, families of defense workers, and those of fallen, wounded, and disabled combatants.

Some localities, although in remote areas, have implemented well the policy toward the rear battlefield with initiatives and without relying too much on rations from higher levels. In the past many localities paid attention to solving problems correctly despite encountering difficulties, shortages, and unfavorable natural conditions in production. With a tenacious spirit, combined with a lofty and awakened spirit of being the masters, localities in those units have energetically carried out activities to gradually improve their daily life.

The party and all levels of state authorities and mass organizations have close relations with army units. They constantly visit and distribute gifts to families with children and husbands serving in the army, families of defense workers, and those of fallen, wounded, and disabled combatants. This has comforted the latter and enabled them to realize the great attention paid to them by the party and state. It has also made them happy and has increased their firm confidence in the revolution.

Objectively and individually speaking, it should also be noted that in the past, a number of provincial and municipal units have not yet implemented well this task. The attention paid to this work is still inadequate through thinking that this task should be done by this or that service. Not all possibilities and capabilities at the disposal of localities and units have been actively pooled to contribute to this the great and most important task. Too much reliance is placed on rations from higher levels. In the past the relationship between army units and regional divisions and the provinces were not yet well established. This is why the implementation of the policy toward the rear battlefield has not yet been disseminated into strata of the masses and people. The sense of responsibility and of being the master in managing this task is not yet adequate. It is this phenomenon which has disappointed a number of families of fallen, wounded, and disabled combatants, families of defense workers, and those which have sacrificed husbands to serve in the army. Through the hardship they have

encountered in their daily life, these families have even lost confidence in revolutionary state authorities and in cadres at all levels and in every service.

To implement well every aspect of this task, from the central to the local level, knowledge of the policy toward the rear battlefield should be further increased. It should also be clearly realized that this task is not the specific duty of any particular service; it is a great and most important task for all of us. Party committees, provincial and municipal people's revolutionary committees, and units and localities throughout the country should further increase their close cooperation to create all favorable conditions for worthy families to the revolution, families of fallen, wounded, and disabled combatants, families with children and husbands serving in the army, and those of defense workers. Attention should be constantly paid to reducing all kinds of shortages. Propaganda and implementation of the rear battlefield policy should go hand in hand. More importantly, all kinds of assistance, moral and material, should be provided, such as assistance in building new houses and providing plots of land for growing rice, fertilizer, and draft labor to these families who should be encouraged to actively take part in production and animal husbandry to ensure a stable and secure life for themselves.

Along with this, timely attention should be paid to assisting families facing hardships, elderly people, widows, and sick wives and children. All kinds of medicine and treatment should be provided. Furthermore, efforts should be made to look for a future for the children of cadres, combatants, and people who are worthy to the revolution. Mixed delegations should be constantly sent to visit families of these people and units on the front-line. This way, every service and level will be able to grasp all requirements and views of cadres, combatants, the masses, and people on matters relating to their morale and daily life. As for wounded and disabled combatants, appropriate centers should be set up for them. They should be assisted in finding appropriate jobs; this is important for their future. This would enable them to be calm and to further contribute to the task of defending and building the motherland.

State authorities at all levels should increase attention to vigorously implementing the army's policy toward the rear battlefield; continue to promote the implementation of party Central Committee Circular No 3 on further improving the relationship between provinces and divisions; and implement well and efficiently new army procedures in accordance with the Council of Minister's Decision No 10 to heighten the army's fighting capability. The year 1989 is the most important key year and the final year in the political and military battle. Therefore, if we implement well and with efficiency and score good results through concrete attention paid to the policy toward the rear battlefield, this would be a source of encouragement to create a vigorous force and to pool the energy of the masses and people in sacrificing husbands to serve in the army. This would also enable our youths

to clearly realize their duty toward the motherland and dynamically contribute to filling the ranks of the Kampuchean People's Revolutionary Armed Forces. This would daily strengthen and consolidate our army in quantity and quality and enable it to successfully and masterfully carry out the task of assuming the defense of our beloved motherland.

Radio Reports 5-11 March Military Activities

*BK2103053389 Phnom Penh Domestic Service
in Cambodian 0430 GMT 21 Mar 89*

[Text] Between 5 and 11 March 1989 the enemy provided supporting fire of 500 to 600 shells on average at a number of places along the border in Battambang, Banteay Meanchey, and Siem Reap Oddar Meanchey Provinces.

In the same period, our Armed Forces valiantly launched search-and-destroy operations against the three bandit groups and their hideouts. As a result, we put 85 of them out of action—44 killed on the spot, 15 taken prisoner, and 26 others surrendered. We also seized 57 assorted weapons, 250 rounds of assorted ammunition, 35 mines, 2 field radios, and a large quantity of war material.

'Misled' Persons Return to Battambang Province

*BK2003142489 Phnom Penh Domestic Service
in Cambodian 1200 GMT 20 Mar 89*

[Text] In February state authorities and our people in Battambang Province received 48 misled compatriots who brought along 28 assorted weapons. Sangke District received 17 misled persons who returned in 3 groups with 6 weapons.

This is due to the good cooperation between the local proselytizing committee and our state authorities, mass organizations, and people who have become a combined force in fighting the enemies through every form. All misled compatriots have received all kinds of assistance from the local state authorities which created favorable conditions for the returnees to be reunited with their families and to lead a peaceful life.

Party Notes LPRP Founding Anniversary

*BK2203052489 Phnom Penh Domestic Service
in Cambodian 0430 GMT 22 Mar 89*

[Text] The Kampuchean People's Revolutionary Party [KPRP] Central Committee has sent a message of greetings to the Lao People's Revolutionary Party [LPRP] Central Committee on the LPRP's 34th founding anniversary. The message noted:

On behalf of the KPRP Central Committee, party members, the working class, and all Cambodian people, we would like to extend warmest fraternal greetings to the LPRP Central Committee.

Following the brilliant tradition of the Indochinese Communist Party fostered and trained by President Ho Chi Minh, during the past 34 years the LPRP has led the Lao people of all nationalities to wage a resolute struggle, enduring all tests and trials, and won successive victories over the French colonialists, Japanese fascists, U.S. imperialists, and the reactionaries inside and outside the country who have attempted to invade and topple the Lao People's Democratic Republic [LPDR].

At present, under the LPRP's correct and wise leadership, all comrades are actively continuing to implement the resolutions of the Fourth LPRP Central Committee's Seventh Plenum with the aim of stimulating the restructuring process to develop the economy, strengthen the defense and construction of the LPDR step by step toward socialism, and improve the mental and material life of the Lao people.

On this historic day we would like to express sincere thanks to the LPRP which has contributed and is contributing to the cause of defending peace and security in the three Indochinese countries, in Southeast Asia, and the world as a whole, thereby enhancing the LPDR's prestige in the international arena.

We are convinced that under the leadership of the LPRP with Comrade Kaysone Phomvihane as its general secretary, the heroic people of all nationalities in Laos will achieve even greater victories in defending and building the country.

May the traditional bonds of special solidarity and overall cooperation between our two parties and peoples further strengthen and develop.

Leaders Note Treaty Anniversary With Laos

Heng Samrin Sends Greetings

*BK2303053589 Phnom Penh Domestic Service
in Cambodian 1300 GMT 22 Mar 89*

[Text] Recently Comrade Heng Samrin, general secretary of the Kampuchean People's Revolutionary Party [KPRP] Central Committee and chairman of the People's Republic of Kampuchea [PRK] Council of State; Comrade Chea Sim, chairman of the PRK National Assembly; and Comrade Hun Sen, chairman of the PRK Council of Ministers, sent a message of greetings to Comrade Kaysone Phomvihane, general secretary of the Lao People's Revolutionary Party [LPRP] Central Committee and chairman of the Lao People's Democratic Republic [LPDR] Council of Ministers; Comrade Phoumi Vongvichit, acting president of the LPDR; and Comrade Sisomphon Lovansai, acting chairman of the Lao People's Supreme Council. The message noted:

On the occasion of the 10th anniversary of the signing of the Treaty of Solidarity, Friendship, Overall Cooperation between the PRK and the LPDR, on behalf of the KPRP Central Committee, the National Assembly, and

the PRK Councils of State and Ministers, Cambodian people throughout the country, and ourselves, we are very happy to extend deepest salutations and warmest greetings to you and, through you, to the LPRP Central Committee, the People's Supreme Council, the Council of State, and the LPDR Council of Ministers and to the fraternal Lao people.

For the past 10 years the constant implementation of the Treaty of Solidarity, Friendship, and Cooperation between our two countries, has clearly shown that the bonds of special friendship and solidarity and harmonious cooperation have been firmly strengthened and splendidly developed between our two parties, governments, and peoples.

Based on this treaty, the peoples of our two countries in particular, and of the three Indochinese countries in general, have joined hands as a strong combined force which is unbreakable by any enemy. This has turned into the rule for progress of the revolutions in Cambodia, Vietnam, and Laos in contribution to safeguarding socialism and gradually turning Southeast Asia into a zone of peace, friendship, and cooperation.

The Cambodian party, government, and people are very happy over the brilliant growth of the militant solidarity and friendship between our two peoples, and pledge to mobilize all efforts to implement this treaty even more effectively in order to realize the common goal of the two peoples of Cambodia and Laos as well as of the three countries of Cambodia, Laos, and Vietnam.

We wish you and the fraternal Lao people excellent health and greater victories in carrying out your noble mission for the cause of building and defending the glorious Lao motherland.

Hun Sen Sends Greetings

*BK2303054789 Phnom Penh Domestic Service
in Cambodian 0430 GMT 23 Mar 89*

[Text] On the occasion of the 10th anniversary of the signing of the Treaty of Solidarity, Friendship, and Overall Cooperation between the People's Republic of Kampuchea [PRK] and the Lao People's Democratic Republic [LPDR], Comrade Hun Sen, PRK minister of foreign affairs, sent a greetings message to Comrade Phoun Sipaseut, LPDR foreign minister. The message noted: On behalf of the Cambodian Government and people and in my own name, I would like to extend warmest greetings and best wishes to you.

I would like to express cordial salutations and highly value the constant implementation, with satisfactory results, of the principles in the treaty in the past 10 years, thus causing the special relations, solidarity, and overall cooperation, particularly cooperation between our two foreign ministries of Cambodia and Laos as well as among our three foreign ministries of Cambodia, Laos,

and Vietnam, to be constantly strengthened and developed in the cause of building and defending socialism and in contribution to turning Southeast Asia into a zone of peace, stability, friendship, and cooperation.

On this occasion, I would like once again to thank the fraternal Lao party, Government, and people, particularly the LPDR Foreign Ministry, for giving all kinds of diplomatic assistance to the cause of the Cambodian revolution.

May the Cambodia-Lao special relations, militant solidarity, and cooperation further strengthen, develop, and last forever.

I wish you good health and more brilliant victories in your noble mission.

Formation of Tripartite High Council Discussed

Assessed as Effective Measure

*BK2403035389 (Clandestine) Voice of Democratic
Kampuchea in Cambodian 2330 GMT 23 Mar 89*

[Station commentary: "Solidarity and Cooperation of the Cambodian Resistance Forces Are the Most Effective Measures To Force the Vietnamese Aggressors To Sit at the Negotiating Table To Resolve the Cambodian Problem Through a Political Solution"]

[Text] Recently the three leaders of the Cambodian national resistance forces, namely Samdech Norodom Sihanouk, leader of the Cambodian nation, leader of the Cambodian national resistance forces, and president of Democratic Kampuchea; His Excellency Son Sann, prime minister of the Coalition Government of Democratic Kampuchea [CGDK]; and His Excellency Khieu Samphan, vice president of Democratic Kampuchea in charge of foreign affairs, issued a joint statement dated 14 March, pledging to further strengthen solidarity and cooperation among the three national resistance forces in political, diplomatic, and military fields in their joint struggle to quickly liberate the nation from the Vietnamese aggressors and race exterminators.

The Hanoi authorities and their Soviet bosses are very angry over this strengthening of unity among the Cambodian national resistance forces. Recently their propaganda machines have insanely condemned and criticized this joint statement of the three leaders of the Cambodian national resistance forces. They say that such an action is tantamount to turning to a military solution to the Cambodian problem and hampering the political settlement of the Cambodian problem.

This is another pretext created by the Hanoi Vietnamese aggressors in an attempt to put the blame for the deadlock in the political forum on the Cambodian patriots, who are the victims, so that Vietnam can further and forever occupy Cambodia in accordance with its Indochinese Federation strategy.

Who has refused to settle the Cambodian problem through political means?

The Hanoi authorities have invaded and occupied Cambodia for more than 10 years now. They have caused the deaths of more than 2.5 million Cambodians, and hundreds of thousands of other Cambodians have had to desert their homeland, become refugees hiding in forested and mountainous areas, and flee abroad, particularly to Thailand. Those who have stayed behind are also suffering and dying daily due to the massacre and oppressive acts of Vietnamese aggressor troops.

The entire world community, particularly the United Nations—the top world body—has so far adopted 10 resolutions, with more votes each time, directing Vietnam to withdraw all its aggressor troops unconditionally from Cambodia in order to restore peace and stability for the Cambodian people and this region. But, the Hanoi aggressors have refused to withdraw their troops from Cambodia. Vietnam has rejected both the 10 UN resolutions and the reasonable proposals made successively by the CGDK, particularly the latest five-point proposal by Samdech Norodom Sihanouk.

At present, while the world is vigorously demanding that Vietnam quickly withdraw its troops from Cambodia, the Hanoi authorities have been busily hiding weapons and troops, and masquerading and introducing their aggressor troops in Cambodia into the puppet army to fool the world and enable them to remain stationed forever in Cambodia. At the same time, the Hanoi authorities have kept sending more Vietnamese nationals to settle in Cambodia—now more than one million. These Vietnamese settlers have been given Khmer nationality so that, together with the disguised Vietnamese troops, they can forever occupy Cambodia.

All this shows that the Vietnamese enemy is not prepared to withdraw its troops and settle the Cambodian problem politically. On the contrary, it is preparing to forever occupy Cambodia as it did Kampuchea Kraom in the 19th century.

In the face of this obstinacy, the consolidation of solidarity and cooperation among the Cambodian national resistance forces is the most essential and effective measure to enhance the efficiency of the struggle against the Vietnamese aggressors on the military, political, and diplomatic fields in order to force Vietnam to enter a negotiating table to seriously settle the Cambodian problem by really withdrawing all its aggressor troops unconditionally under the correct and effective international supervision as mentioned in Samdech Norodom Sihanouk's five-point peace plan.

This is the duty and sacred right of the Cambodian people in their struggle against the foreign aggressors and for the liberation of their nation and race.

Sihanouk Counters Accusations

BK2103002089 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 20 Mr 89

[Text] On 17 March Samdech Norodom Sihanouk, leader of the Cambodian nation, leader of the Cambodian national resistance forces, and president of Democratic Kampuchea, issued a press communique in response to the insane accusation made by the Vietnamese Hanoi authorities and their Phnom Penh puppets against the samdech regarding the formation of a High Council for National Defense of the three Cambodian national resistance forces under the samdech's leadership.

The communique noted that this High Council for National Defense is an organization for helping each other with the aim of enhancing the efficiency of the Cambodian national resistance forces' military operations against the troops of the Vietnamese colonialists which are illegally controlling and occupying our country.

Therefore this constitutes a struggle that we must carry through to the end against the Vietnamese troops which are committing aggression against our country and are continuing their control and colonization.

This anti-Vietnam armed struggle enjoys the effective support of the Cambodian people, particularly the peasants, and the secret support of some organizations of the Heng Samrin army.

There is no reason for our struggle to be against the Cambodian people.

Commentary on Khmer Rouge, Cambodia Solution

BK1503022489 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 14 Mar 89

[Station commentator (Uk Sunnary) political commentary: "The Khmer Rouge and the Search for a Solution to the Cambodian Problem"]

[Text] Until now Vietnam and the Vietnamese-installed regime in Cambodia have persisted in raising the Khmer Rouge question as a pretext to bar the way toward a reconciliation of the Cambodian nation.

Vietnam and the Heng Samrin regime have continued to raise the Khmer Rouge question as a pretext to enable Vietnam to further occupy Cambodia. Vietnam has continued to reject the effective measures to eliminate the Khmer Rouge. Therefore, Vietnam is not sincere in the efforts to seek peace for the Cambodian people.

How and who will be the ones to eliminate the Khmer Rouge? Speaking about the Khmer Rouge, it is known to all that this is a group of Cambodian communists whose main supporter, while they were controlling the power in Cambodia, was Vietnam. [as heard] They mercilessly massacred the Cambodian people. The Khmer Rouge ringleaders, such as Pol Pot, Heng Samrin, Hun Sen, and

Hor Nam Hong, are well-known to the Cambodian people. These Khmer Rouge leaders were formerly army commanders or department chiefs who had personally committed crimes against the Cambodian people. Therefore, some Khmer Rouge officials are now in the Democratic Kampuchean group as well as in the current group of the Vietnamese-installed People's Republic in Phnom Penh.

Taking a look at all the existing problems, the most prominent problem is that between these two Khmer Rouge groups. One of these two Khmer Rouge groups is accused of being the criminal while the other is accused of serving as a puppet of the Vietnamese Communists helping Vietnam to annex Cambodia in the same manner as what happened during the Kampuchea Kraom era. These two Khmer Rouge groups are firmly supported and backed by foreigners and have similar numbers of murderous henchmen and sufficient measures for use to exterminate our race.

What can be done? Granting the full rights and freedoms to the Cambodian people is the only measure to eliminate the ferocious leaders who betray the Cambodian people's interests. But, Vietnam and the Heng Samrin regime do not allow the Cambodian people to enjoy the full freedoms.

To reject the formation of a provisional quadripartite coalition government to arrange a free election is tantamount to depriving the Cambodian people's rights and freedoms. The rejection of the presence of the UN representatives to preserve security for the Cambodian people and to supervise the elections is also regarded as a denial of the Cambodian people's full rights to consider by themselves who are on the side of right and who betray the Cambodian nation and the people's interests.

The Voice of the Khmer is of the opinion that if there is a free election, the Khmer Rouge, whatever groups they may be, will not enjoy the support of the Cambodian people. Therefore, there is no need for Vietnam to worry about raising the Khmer Rouge issue as a pretext for it to further occupy Cambodia and enable its puppets who are also the Khmer Rouge, to continue controlling the power in Cambodia to serve the Vietnamese interests.

In sum, we are of the opinion that if Vietnam really wants Cambodia to enjoy peace, it should allow the Hun Sen group to join in forming a quadripartite government and let the UN peacekeeping force to preserve security for the Cambodian people in opposition to both the Khmer Rouge and the Vietnamese troops which are foreign aggressor troops.

KPNLF Press Communiqué Criticizes Hun Sen
BK2003060289 (Clandestine) Voice of the Khmer
in Cambodian 0430 GMT 20 Mar 89

[Text] The Khmer People's National Liberation Front [KPNLF] said that if the Vietnamese-Heng Samrin regime is worried about the Khmer Rouge's return to

power, it should accept Samdech Norodom Sihanouk's proposal that calls for effective international supervision carried out by the United Nations and the presence of a UN international peacekeeping force.

In a press communiqué released on Sunday [19 March], the KPNLF said that only Vietnam and the Heng Samrin regime rejected the measure to prevent the return of Vietnamese and Khmer Rouge troops, and continue to use the Khmer Rouge as a pretext so that Vietnam can remain in Cambodia. The KPNLF press communiqué also said the Cambodian people and the KPNLF want, as quick as possible, national independence, peace, and national reconciliation; namely reconciliation with the participation of all Cambodians, including the Heng Samrin-Hun Sen side, with Samdech Norodom Sihanouk as national leader. The KPNLF very much regretted Hun Sen's reaction to the joint statement of the Cambodian resistance movement dated 14 March. The KPNLF believes Hun Sen's unreasonable criticism of Samdech Norodom Sihanouk was the idea of foreigners. Hun Sen expressed this reaction without clearly realizing the point of this joint statement, namely that currently, only the Heng Samrin-Hun Sen regime still refuses to take part in a national reconciliation framework which the three parties of Cambodia's resistance movement have shown can unite Cambodians.

Earlier, KPNLF President His Excellency Son Sann said there are three choices for Hun Sen:

1. Hun Sen goes with the Vietnamese when the latter withdraw from Cambodia;
2. Hun Sen remains in Cambodia and opposes other Cambodian parties; or
3. Hun Sen cooperates with other Cambodian parties to solve the Cambodian problem.

Captured Weapons, Reports Operations Displayed
BK2403015789 Bangkok BANGKOK POST in English
24 Mar 89 p 5

[Text] Aranyaprathet—The Khmer People's National Liberation Front [KPNLF] forces are operating actively inside seven Kampuchean provinces "and even Phnom Penh," KPNLF Commander-in-Chief Gen Sak Sutsakhan said yesterday.

Among the provinces that the faction claimed to have infiltrated are Battambang, Siem Reap, Pursat, Kompong Cham and Kratie.

The KPNLF command yesterday exhibited a collection of 234 pieces of Soviet-made weapons including two military trucks it captured from Vietnamese Heng Samrin troops during the "Liberation Operation," undertaken since early this month.

Gesturing at the four medium-range artillery pieces, rocket launchers and a large amount of ammunition, Gen Sak said the artillery was aimed at Site 2 at the time of its capture.

Thai military sources said the KPNLF forces spent several days transporting the collection of seized weapons, rifles, machine guns and ammunition to the Thai-Kampuchean border for exhibition.

Heng Samrin troops were also in hot pursuit of this "mobile sanctuary," said the sources.

Of the 15,121 troops that KPNLF has, 10,000 are operating "deep inside Kampuchea," according to Gen Sak.

Gen Sak said his army had strengthened the non-communist resistance forces by coordinating with the Siha-noukist army and said the Khmer Rouge forces pose no problem to them these days.

Gen Sak said that KPNLF is by far the most active faction.

Citing his intelligence reports, Gen Sak said there are currently about 111,000 regular Vietnamese troops inside Kampuchea.

Gen Sak's assistant Dr Abdul Gaffar said from November last year the faction has not recorded any clash with the Khmer Rouge. In 1987 and early 1988, there were incidents of fighting with the Khmer Rouge.

Dr Gaffar put the number of Khmer Rouge troops at 30,000-35,000.

Son Sann, the KPNLF's president and prime minister of the Coalition Government of Democratic Kampuchea, announced in Jakarta last month that he is resuming "civilian, political and military power" of the KPNLF.

When asked about who was actually in charge of the command, Gen Sak just said, "You see me. I am here."

Indonesia

Murdani Hints at Establishment of Ties With Israel
BK2403103689 Jakarta SUARA PEMBARUAN in Indonesian
20 Mar 89 pp 1, 16

[Text] Bandung, 20 Mar—Defense and Security Minister Benni Murdani, in his capacity as acting foreign minister, said, "If Egypt could establish diplomatic relations with Israel, why can't we?"

Speaking to newsmen after addressing participants of the seminar entitled "Education in Indonesia in the Take-off Era of National Development" in Bandung on Saturday

[18 March] afternoon, Murdani said that every country, including Indonesia, ought to maintain good relations with other countries in the world.

"Obviously, we will never derive much benefit, if for instance we have diplomatic relations with the PRC only. Having diplomatic relations with any country certainly has its advantages and disadvantages," said Murdani.

When asked if we will establish diplomatic relations with Israel someday in the future, Murdani stressed "why not? Even Egypt, which has gone to war against Israel three times and lost many of its people in the wars, is now maintaining excellent relations with Israel. Therefore, if Egypt can do it, why can't we?"

Murdani also rejected views that Indonesia is now paying more attention to the eastern socialist countries. "The truth is we are now doing a balancing act between the Western and Eastern blocs. Besides, both blocs are of equal distance from us," he said.

British Envoy, Others Receive Death Threats
BK2303142089 Hong Kong AFP in English 1415 GMT
23 Mar 89

[Text] Jakarta, March 23 (AFP)—Britain's ambassador to Indonesia and several members of his mission have received death threats in connection with British author Salman Rushdie's controversial novel "The Satanic Verses," diplomatic sources said here Thursday.

The sources said several embassies, including those of West Germany, France and the Netherlands, but not Britain's, had received a copy of a letter addressed to British Ambassador Kelvin K. White.

It was dated March 11 and signed by "Khaleed ibn Waleed," chairman of a previously unheard group calling itself "The Red Swords".

The letter said that if Mr Rushdie was not killed within three months and "if your government does not stop the publication of the condemned book...it means (sic) that we have been compelled by your government to kill you or one of your British Embassy senior staff."

"Satanic Verses insulted Islam...and therefore your government had take (sic) all responsibilities to solve the problems," it said according to the diplomatic sources.

The British Embassy, contacted by AFP, said there was no need to exaggerate the danger or attach too much importance to the letter.

The embassy had not received many threatening letters, a British diplomat said. Several weeks ago a letter addressed to Mr Rushdie had been received and another for British Prime Minister Margaret Thatcher, he added, without giving details.

Several members of the mission had also received threatening telephone calls on the same day last week, the diplomat said.

Asked about what extra security measures were being taken, he said: "The authorities have been keeping an eye on us since the affair began."

Indonesia, the world's largest Moslem country, banned "The Satanic Verses" two weeks ago, saying the book could disturb national stability.

In February, Iranian leader Ayatollah Ruhollah Khomeini called on Moslems to execute Mr Rushdie and described his book as blasphemous.

His pronouncement sparked off a wave of controversy and demonstrations both for and against the book. It also led to a break in diplomatic relations between Britain and Iran.

Laos

Vietnamese Military Presence 'Diminishing'
BK2303170689 Hong Kong AFP in English 1700 GMT 23 Mar 89

[By Charles-Antoine de Nerciat]

[Text] Vientiane, March 23 (AFP)—Vietnam's military presence has continued to diminish in Laos where there are now less than 20,000 Vietnamese troops, Western sources said here Thursday.

There are also "much fewer" Vietnamese advisers in central and provincial government administration, the sources said.

They said there has been a general trend towards downplaying Hanoi's earlier stated goal of setting up a "special relationship" with its smaller neighbours, Laos and Cambodia.

The sources, who monitor carefully the influence carried by Vietnam and its Soviet ally in Laos, pointed to a recent statement in Bangkok by the outgoing Laotian Ambassador to Thailand Khamphan Simmalavong who was quoted as saying that the idea of a Hanoi-led Indochinese federation was "now defunct."

While Laos normally refrains from broaching such a subject, Mr. Khamphan has been used in the past by Vientiane to put out feelers liable to become official government policy, one source noted.

Vietnam began a withdrawal of about half its 40,000 to 50,000 troops in Laos some two years ago.

Laotian officials have since said that all Vietnamese troops had left the country, but this was dismissed by Thai and Western experts who estimated the strength of Hanoi's remaining forces at about 20,000.

Laotian officials have said the Vietnamese troop pullout had been made possible by the quality of the Laotian armed forces with a total strength estimated at over 50,000.

The Western sources stressed that Hanoi was bound to retain a measure of influence in Laos. But they said that more Vietnamese troops had been pulled out in the past two years.

Vietnam's troop withdrawal from Laos has been interpreted by some analysts as a move to accommodate nationalist sensitivities in both Laos and Cambodia, where Hanoi ousted the Chinese-backed Khmer Rouge 10 years ago to install a client government in Phnom Penh.

Western sources also suggested that Vietnam, faced with an ailing economy, was reducing its military spending.

At the same time, there has been a notable improvement in Laos' relations with China, previously accused by Vientiane of assisting anti-government insurgents, and even more so with Thailand.

Some analysts have suggested that the diplomatic lead taken by Vientiane toward China and Thailand was a measure of Vietnam's hopes to repair its own relations with those two countries that have been strained since its invasion of Cambodia.

Sisavat Keobounphan Meets Thai Banker
BK2303102889 Vientiane KPL in English 0907 GMT 23 Mar 89

[Text] Vientiane, March 23 (KPL)—Mayor of Vientiane General Sisavat Keobounphan received here on March 22, a senior official of the Thai Agriculturist Bank, Mr Somphon Sukannasin.

The discussion centered on the possibility in establishing a joint venture in commercial bank in Laos. The discussion also covered the question of banking (?correspondence) with the Lao Foreign Trade Bank.

Scheme of 'Bad Elements' in Thailand Exposed
BK2003023889 Vientiane Domestic Service in Lao 0000 GMT 20 Mar 89

[PASASON 20 March commentary: "Expose Scheme of Bad Elements in Thailand Aimed at Undermining Lao-Thai Relations"]

[Text] As reported earlier, after a number of culprits slipped into Vientiane Municipality from the Thai side of the river and took Mitsui Company Manager Yashiaki Asao back to Thailand with them late on the night of 1 March, Lao police and all parties concerned were trying to do everything possible, in coordination with Thai authorities, to investigate and rescue the victim. Following his rescue, Yashiaki Asao returned to Vientiane and told Lao authorities all the details of his abduction. The details of

the episode as told by Asao plus some information given to the Thai press by Thai authorities explicitly indicated that a number of bad elements in Thailand have been trying to obstruct the promotion and strengthening of Lao-Thai relations and cooperation based on the spirit of mutual understanding and trust, brotherly mutual assistance, equality, and mutual interest.

As is known, thanks to the implementation of the open-door policy pursued by the Lao People's Democratic Republic [LPDR] Government—a policy which can be especially understood from the enactment of the Foreign Investment Law—relations and cooperation between the two countries, especially in the fields of bilateral trade and joint investment, are unprecedentedly bright indeed in conformity with the spirit and letter of the Lao-Thai joint communique signed by the two heads of government on 25 November 1988.

Nevertheless, this satisfactory development unfortunately appears to run counter to the interests of a number of bad elements in Thailand who have opposed the strengthening and consolidation of the brotherly relations and neighborly cooperation and friendship between the Lao and Thai peoples. Their displeasure was starkly displayed in the Asao abduction case. In this incident, they used a number of exiled Lao reactionaries residing in Thailand as tools to carry out the dirty plan.

Although some of their henchmen were killed and others arrested by Thai police, the dark scheme planned by those bad elements has not yet been clearly and entirely exposed.

Judging from public opinion, it can be said that the sinister act of the bad elements in Thailand constitutes a slap in the face of the Lao and Thai peoples who have strongly aspired to continually strengthen and develop good relations and cooperation between the two countries. This ill-intentioned act runs counter to an agreement on the mutual desire to strengthen bilateral relations and mutual cooperation reached by the governments of the two countries on 25 November 1988 in the form of the Lao-Thai joint communique. This communique was formed on the basis of mutual understanding and trust, brotherly mutual assistance, equality, and mutual interest. Public opinion also points out that these bad elements are bent on intentionally tarnishing the open-door policy pursued by the LPDR Government and undermining a new trend of development in the relations and cooperation between Laos and Thailand. The assessment of the situation by public opinion is reasonably accurate.

In the face of this development, it is necessary for the Lao and Thai peoples to continue to further strengthen the solidarity, mutual trust, and mutual understanding between each other. It is necessary for the two sides to cooperate with each other in checking and exposing the dark scheme of the bad elements in Thailand who have used exiled Lao reactionaries taking refuge in Thailand

as their tool to obstruct and undermine the promotion of Lao-Thai relations and cooperation in accordance with the spirit and letter of the 25 November 1988 Lao-Thai joint communique, aimed at fulfilling each country's national development plan and achieving a good life for the peoples of the two countries.

Foreign Media Previews Upcoming Elections

Candidates Noted

BK2403113289 Hong Kong AFP in English 1118 GMT
24 Mar 89

[By Charles-Antoine de Nerciat]

[Text] Vientiane, March 24 (AFP)—Six leading members of Laos' ruling communist party appear in the list of candidates for Sunday general elections, the first since the communists came to power in 1975.

Thongvin Phomvihan, wife of People's Revolutionary Party of Laos (PRPL) leader Kaysone Phomvihan and also a member of the Central Committee, will stand in Vientiane, a senior government official said Friday.

Mr. Kaysone, 69, who is also prime minister, is not a candidate.

Somsavat Lengsavat, a vice-minister in the Premier's Office and chairman of the National Election Committee, said Vice-Premiers Nouhvak Phoumsavan and Sali Vongkhamso, two of the 11 members of the party Politburo, will also be standing.

He added that three of the 51 members of the Central Committee, the party's "parliament," will be among the 121 candidates vying for the 79 seats in the People's Supreme Assembly, whose first task will be to provide Laos with a Constitution.

The formation of the new assembly will replace the existing structure of 43 members appointed by the communists after they came to power without bloodshed in 1975.

Since then, Laos has had neither a constitution nor an elected national assembly. The PRPL has appointed the government and passed legislation through party congresses, the most recent of which was held in 1986.

The 1.8 million voters over the age of 18, out of a total population of 3.8 million, will have theoretical freedom of choice, but Mr. Somsavat made clear that one of the conditions to be met by selected candidates was "the capacity to apply party policy and state regulations."

The polls come at a time when Laos, one of the world's 10 poorest nations, is engaged in a policy of reform to restore the private sector, moving away from the rigid socialist economic system which is held partially responsible for the country's economic stagnation.

Laos, an ally of Vietnam, has also begun to diversify its international relations by normalising its links with China and opening up to countries with liberal economic systems such as neighbouring Thailand.

Western diplomatic circles in Vientiane however observed that the new assembly had all the characteristics of a "rubberstamp parliament".

They added that although attempts at restructuring are practically non-existent in the PRPL's political plans, certain efforts have been undertaken to try to make the government structure more efficient.

The setting up of a National Assembly was to be expected, they said, because it would enable Laos to adopt legislation to encourage foreign trade and investment, and would create a better environment for the country to apply to the West for aid.

Mr. Somsavat said that Sunday's objectives included what he called a desire to "consolidate the power of the state."

The elections for the National Assembly follow voting last year for district and provincial assemblies.

Mr. Somsavat said it is important to reinforce the role of the people in choosing national direction.

But judging from the scene in Vientiane, the populace hardly seems motivated by the impending elections.

A few large billboards showing peasants and workers calling the people to vote are scattered around the capital's large avenues bordered by elegant villas left over from French colonial days, but interest is limited.

Ordinary Laotians said they only heard through Friday's official information channels that Mrs. Phomvihane had visited one of her strongholds in Vientiane on Thursday.

The Laotian communists ousted a coalition government which they shared with the neutralists in a peaceful takeover in December 1975, shortly after more violent coups that year by Hanoi and the Khmer Rouge against the pro-U.S. regimes of South Vietnam and Cambodia.

Although the takeover was not violent, about a tenth of the population fled abroad.

Traveling Ban Imposed

BK2403022589 Bangkok BANGKOK POST in English
24 Mar 89 p 3

[By Rungruang Prichakun]

[Text] Vientiane—Laos began imposing a travelling ban nationwide in a prelude to its election on Sunday of a 79-member supreme administrative body that will be responsible in drafting the country's constitution and appointing a new administration.

The election, the first at national level since the communist Pathet Lao Party came to power in 1975 will be part of Laos' political and economic reforms adopted at the party congress in late 1986.

All campaigns by 121 election candidates concluded yesterday—two days before the polls which are scheduled between 7 a.m.-5 p.m. on Sunday.

Authorities yesterday started imposing travelling restrictions on Lao citizens to encourage the 1.8-million voters out of a population of 3.8 million to go to the polls.

Among the 121, at least six candidates come from the Laotian Communist Party's central committee, according to Prime Minister's Office First Vice Minister Somsavat Lengsavat. They are Nouthak Phoumsavan, 75, Sali Vongkhamso, Mrs Thongvin Phomvihane, 51, Thongsin Thammavong, 45, Mrs Onchan Thammavong, 36 and Charoen Hiapaohau, 38.

Mrs Thongvin is wife of Laotian Prime Minister Kay-sone Phomvihane who reportedly plans to step down after the election along with acting President Phoumi Vongvichit, 80.

The rest of the candidates come from various organisations including the military, police and university lecturers.

The new 79-seat council to be elected on Sunday will act as the executive arm of the Communist Party and the highest state body.

It will draft a constitution, which Laos has been without under communist rule, and appoint the new government leader who will choose his Cabinet.

Dr Siho Bannavong, deputy chief of Vientiane municipality, said he expected that 97 percent of the capital's 203,900 voters to turn out in Sunday's election.

Vientiane will be represented in the council by 11 members, he said, adding that authorities expect to announce the capital's results within five days.

'Powerful' Party Role in Leading Army Viewed
BK2303104989 Vientiane Domestic Service in Lao
0430 GMT 22 Mar 89

[Editorial: "The Lao People's Revolutionary Party's (LPRP) Cause Is Shining More Brightly in the Hearts of Our Army and People"]

[Text] The LPRP—the organizer and leader of all victories of the Lao revolution—is a powerful party guiding the Lao people into a new and glorious era. The LPRP is the soul of the revolution and commands the absolute trust of the multiethnic Lao people.

Throughout the past 34 years, continuing the cause of the Indochinese Communist Party, the LPRP has clearly displayed its true nature of being the genuine Marxist-Leninist party of the Lao workers. It has proven that it is a vanguard unit with firm and strong organization. It is a unified party under the control of the direct and centralized leadership, and it is also the supreme organization of the Lao workers. It is a strong, talented, and brilliant party which has been tempered and tested in the flame of an unprecedented fierce and complex struggle for national liberation. It has accumulated rich experience from practical leadership.

The LPRP has never ceased fighting relentlessly for the genuine interest of the Lao workers, the multiethnic laboring people, and the entire Lao people. The LPRP's fame has been closely associated with the revolution's victories and with the new glorious era of our Lao nation—an era of independence, democracy, and social progress.

All this is the truth which has been clearly testified to in numerous fierce and complex revolutionary deeds committed on several occasions in the past. The 22 March 1955 founding of our party constituted an event of great historic significance. It mobilized the entire Lao people to enter into the national liberation struggle against the imperialist aggressors and their treacherous henchmen.

Immediately after its founding our party was entrusted with a heavy responsibility. After triumphantly leading our Army and people in fighting to defend the two stronghold provinces [of Phong Saly and Sam Neua], the party continued to outline a new offensive strategy to pressure the enemies into signing the 1957 Vientiane Agreement to unify the country and to set up a bipartite government. Subsequently the enemies began trying to undermine the bipartite government. As a result, our party quickly led the Army and people to combine the struggle on the military front with one on the political field to fight against the enemies in a fierce and vigorous manner. In 1959 our Army and people launched successive attacks against the enemies and managed to score a brilliant victory, subsequently compelling them to sign the 1962 Geneva Accord on Laos and to set up a tripartite government.

After the enemies violated and subsequently scrapped the 1962 Geneva Accord on Laos, sabotaged the tripartite government, and increasingly stepped up their special war throughout the country, resolutely holding aloft the revolutionary banner, our party proceeded to mobilize the entire Army and people to further enhance the tradition of fighting and to do everything for the front-line in order to defeat the imperialist aggressors and their treacherous henchmen.

We simultaneously attacked the enemies and built and consolidated the Armed Forces. After that, our Armed Forces gradually proceeded to score one small victory after another in the countryside and later in many inhabited areas in towns, wiping out the enemies'

armed forces and war materials, paving the way for our side to march forward to liberate the entire country and to finally score a complete victory for the revolution.

In particular, the Lao People's Army [LPA], since its formation, has always been energetically educated, trained, and guided by our party. That is why our Army has come to subsequently develop a highly idealistic objective, to firmly adhere to a class concept, to maintain a firm revolutionary nature, and to remain boundlessly faithful to the people and country. It has possessed a sense of profound patriotism and a fine proletarian spirit. It has maintained a sense of gallantry in the struggle against the enemies and always stands ready to make sacrifices for the country in order to make noble contributions to a common victory for the revolution.

The growth, victories, and achievements scored by the Army in the past are all the fruits of the correct and brilliant leadership of the party. They also constitute brilliant successes scored by our party in educating, training, and leading the Army throughout the long period of revolutionary struggle for national liberation in the past as well as during the period of defending the country and consolidating and developing the popular democratic system in our country at present.

Looking back over the history of our Army's building and victorious fighting, we can see that the very factor determining every victory for our revolution was the Indochinese Communist Party's leadership in the past and the LPRP's leadership at present—the party that has organized, led, and educated our Army with correct military and political lines and creative, talented, and brilliant leadership. At the same time, our Army has also received support and assistance from the multiethnic people and has been blessed with the special solidarity and militant alliance among Laos, Vietnam, and Cambodia. In addition, our Army has also received effective and great assistance from the USSR and other fraternal socialist countries.

On the occasion of the joyous celebration of the 34th anniversary of the LPRP, our Army would like to express our profound gratitude toward the LPRP and the multiethnic Lao people. We would like to express our gratitude and thanks to the Vietnamese Army and people, the Cambodian Army and people, the Soviet Army and people, and other socialist countries for wholeheartedly supporting, sponsoring, and assisting the Lao revolution in general, and the Army in particular.

To appreciate the overall line as well as the military, diplomatic, and economic lines of the party and to translate into reality the contents and letter of the resolutions adopted at the fourth party congress as well as the fifth, sixth, and seventh resolutions adopted by the fourth party Central Committee as spelled out in the 1989 plan, the Second 5-Year State Plan, and all ad hoc and long-term plans in the coming years, our Armed Forces pledge to further enhance our majestic true nature and tradition of

revolutionary heroism; to incessantly study and upgrade our standard in all respects; to do away with any phenomena of negativism and conservatism which run counter to the new concept adopted by the party; to highly hold aloft a sense of vigilance against any sabotage schemes of the enemies; to stand ready to securely defend the country and the revolutionary fruits; to participate in the economic construction; and to actively consolidate, enhance, and upgrade the popular democratic system, thereby making noble contributions to the world's common cause and securely defending peace in this region and the world.

Philippines

Soviets 'Formally' Open Market for Coconut Oil
HK2303074989 Manila PHILIPPINE DAILY
INQUIRER in English 23 Mar 89 pp 1, 7

[By Beth A. Pango]

[Text] Moscow has formally opened its market for Philippine coconut oil under a trade agreement forged Monday with visiting Philippine officials.

Philippine Coconut Authority Chairman Jose Romero, a member of the delegation, said in the telex message the Soviet Union has agreed to import 100,000 metric tons [MT] of coconut oil worth \$55 million annually beginning this year.

The Philippines has been negotiating with the Soviets on the sale of coconut oil since two years ago after the United States tightened its market and made moves to ease out coconut oil through an impending legislation.

Although the import value forged with the USSR is not as big as the U.S. market, Romero said, "the Soviet market can replace the U.S. should protectionism push us there.

Romero said Moscow officials have pledged to raise the import quota to 200,000 MT.

Romero said the USSR might agree to a counter trade scheme.

The Soviet Union consumes at least 1.2 million metric tons of vegetable oil annually and the Philippines sees its market as lucrative for the country's agricultural products.

USSR To Help Produce Machinery by 1992
HK2103050989 Quezon City Radyo ng Bayan
in Tagalog 0400 GMT 21 Mar 89

[Text] Beginning in 1992 the Soviet Union will help the Philippines produce much-needed machinery so that it can become a newly industrialized country. This was declared by Trade and Industry Secretary Jose Concepcion Jr, who said that the USSR has agreed to consider a partnership between both countries involving machinery

production. Concepcion said this venture will be of great help in teaching Filipinos to produce machinery. The agreement is part of the RP [Republic of the Philippines]—USSR trade protocol signed by Concepcion and Soviet Minister for Economic Relations Konstantin Katushev.

Immigration Deports Two Japanese Nationals
OW2203133989 Tokyo KYODO in English 1002 GMT
22 Mar 89

[Text] Manila, March 22 KYODO—Senior immigration officials ordered on Wednesday the deportation of two Japanese nationals, one suspected of being a drug trafficker and the other a yakuza member.

Immigration Commission spokesperson Jean Matias said Commissioner Miriam Defensor Santiago has signed a deportation order for Tsugimaru Motojima, 41, who was working illegally here as a seafood restaurant manager in the posh suburban Bel Air subdivision.

Matias said in an interview that Motojima, who carries a tourist visa, was arrested Tuesday night in the restaurant in the financial district of Makati.

She said Motojima was issued with an arrest warrant on February 13 for his involvement in smuggling into Manila seven kilograms of marijuana on January 18, together with another Japanese identified as Tetsuhiko Ikeda who is still at large.

Manila International Airport immigration chief, Ruben Domingo, told reporters that suspected yakuza member Jiro Seki will be sent back to Tokyo as he announced the setting up of a security cordon to trap members of the Japanese gangster organization expected to arrive in the next three months.

Domingo said Seki was believed to be a member of the gang's advance party to prepare for the visit of a top yakuza leader, Yoshiro Hayashi, and 20 other members of the Hayashigumi faction.

Seki was arrested at the airport last Monday after immigration authorities were warned by foreign affairs officials that a suspected yakuza member would try to slip into the country. He first entered Manila in 1987 and has been shuttling back and forth ever since posing as a tourist.

Motojima and Seki were scheduled to leave the country later Wednesday.

Airport Cordon Set Up

HK2303074789 Manila *PHILIPPINE DAILY INQUIRER* in English 23 Mar 89 pp 1, 7

[By T. Bergonia]

[Text] Immigration authorities at the Ninoy Aquino International Airport [NAIA] have set up a tight cordon around the airport to trap members of the dreaded Yakuza syndicate expected to arrive in Manila to set up headquarters here.

Reben Domingo, NAIA immigration chief, said they have received intelligence reports that more members of the Japanese crime syndicate were expected to turn up in Manila despite the reported arrest of Jiro Seki, a member of a 20-man advance party reportedly sent here to pave the way for the arrival of a Yakuza godfather and 19 other gang wards.

Domingo said immigration authorities are arranging for a security escort for Seki, who tried to slip through immigration agents Monday.

The immigration official said Seki first entered the country in 1987 and has since been shuttling back and forth from Tokyo to Manila.

Seki is a member of the notorious Hayashi Gumi Kunyo Kai faction of the Yakuza based in the Akabane district of Tokyo. The faction is reportedly involved in prostitution and gunrunning and has made inroads in Manila's crime circle.

According to Domingo, immigration authorities received a report from the foreign office warning them of Seki's arrival with 19 other Japanese composing the Hayashi faction's advance party.

He said the leader of the faction, Yoshiro Hayashi, was to arrive with 20 others this summer.

Seki, who is now detained at the immigration office at the NAIA, is awaiting deportation.

Envoy Alleges Malaysia Mistreats Filipinos

HK2303073389 Manila *BUSINESS WORLD* in English 23 Mar 89 p 8

[Text] Envoy to Malaysia Pablo Suarez, who will soon be leaving to assume his new post in Beijing, made his last digs at alleged Malaysian discriminatory practices against Filipinos as he ended four years of what close associates described as a "very frustrating assignment."

Foreign affairs chief coordinator Philip Mabilangan released to the press dispatches of Mr Suarez's interview last week in Kota Kinabalu, Sabah, during a farewell visit to members of the Filipino community there.

Mr Suarez complained that "our people are being subjected to discriminatory treatment, and although the Malaysian Government has said the amnesty program launched by the Sabah state government is not valid, some are continuing with it." Mr Mabilangan said the envoy was referring to the Indonesian illegals who have been allowed to regularize their stay while Filipinos have been summarily rounded up and deported.

Equal Treatment

"We are only asking for equal treatment. If the Indonesians are contributing to your economy, we too are contributing," he said.

A ranking official explained that the amnesty program for the Indonesians was supposedly effected by the federal government for agricultural workers in West Malaysia. "However, we are certain that they are processing Indonesians from Sabah," he said.

Mr Suarez had telexed the DFA [Department of Foreign Affairs] that acting Prime Minister Encik Ghafar Baba had assured him that Filipinos would be treated equally for purposes of employment in Sabah. Also, Mr Suarez reported, a task force would be set up by the Malaysians to evaluate the problem of Filipino migrants there.

Some fears were expressed that the Malaysians might expand the scope of the paramilitary Task Force Refugees to include Filipinos. "They are rooting out Indochinese refugees and kicking them out with brutal efficiency," a DFA source said, hoping "that the same thing wouldn't happen to Filipinos."

Air Force To Buy Australian Transports

HK2403034189 Manila *THE MANILA CHRONICLE* in English 24 Mar 89 p 3

[Text] The military is buying this year at least six Australian-made transport aircraft to standardize its fleet and improve its mobility.

Maj. Gen. Jose L. de Leon, Air Force chief, said his unit has allocated some P [pesos] 94 million for the purchase of at least five to six Nomad aircraft.

De Leon said he is "very hopeful" that Congress would "readily" approve the purchase of the transport aircraft because of the President's appeal to lawmakers "to give the Armed Forces the numbers and logistics to carry the (insurgency) war to a swift and conclusive end."

Mrs. Aquino made the appeal during the Army's 92nd anniversary last Tuesday in Fort Bonifacio.

De Leon said the planes are necessary to swiftly transport small unit troops to combat areas and to evacuate wounded personnel to military hospitals here in Manila.

De Leon said the Air Force is set to phase out the old islander aircraft which he said are more expensive to operate and maintain than the Nomad type.

Both types of aircraft have the same capability but the Nomad uses cheaper jet fuel, he said.

The 10-seater turboprop Nomad will be used by two Air Force divisions based in Mactan and Zamboanga city to augment their present transport capability, De Leon said.

Aside from the purchase of the Nomad aircraft, the Air Force has also embarked on an ambitious modernization program that would entail buying 10 MV-500 helicopter gunships and the S2-11 Italian-made trailer jets, according to De Leon.

The helicopters will come from the US foreign military sales credit and assistance program while the jets will be financed through a soft loan from the Italian government.

The Government has set aside some P165 million this year for down payment for the 18-unit aircraft which are to be partially assembled here, he said.

The modernization program of the air force would increase the military's internal as well as external defense, particularly in patrolling its borders, de Leon explained.

AFP Opposes Recognition of Palestinian State
HK2003054789 Manila PHILIPPINE DAILY GLOBE in English 20 Mar 89 p 7

[Text] Military and intelligence officials are strongly opposed to the move of the Department of Foreign Affairs [DFA] to officially recognize an independent Palestine state, a high ranking DFA official disclosed yesterday.

The official, who sought anonymity, said the AFP [Armed Forces of the Philippines] high command is afraid that the 3,000 Palestinian students in the country might be mobilized by the Palestine Liberation Organization to launch terrorist attacks against the government once it is allowed to set up an embassy here.

The military, the official added, was also wary that the newly formed Palestine state might actively support the Moro National Liberation Front's [MNLF] separatist campaign against the government of President Corazon Aquino.

DFA officials led by Foreign Secretary Raul Manglapus, however dismissed the alarm raised by the military saying that embassies are bound by rules and "cannot be used as instruments of terrorism."

The same DFA officials also countered that the Palestine state could not possibly extend support to the MNLF since the former only subsists on funds "rationed" by the Organization of the Islamic Conference.

Manglapus announced last week that Palestine's Foreign Minister Faruq Qaddumi is arriving for an official visit on May 15.

He said that Qaddumi's visit in the country is an indication of the DFA's "feelings on the matter of Palestine's recognition."

Finance Secretary Signs IMF Letter of Intent
HK2103044589 Manila BUSINESS STAR in English 21 Mar 89 pp 1, 3

[Text] Finance Secretary Vincente Jayme and Central Bank governor Jose B. Fernandez Jr. yesterday signed the country's letter of intent (LOI) to the International Monetary Fund (IMF) following President Aquino's former authorization for them to do so.

This was announced yesterday by Jayme who said that President Aquino authorized him and Fernandez to sign the LOI by virtue of the power she had vested them as the country's chief debt negotiators.

Jayme said that they signed the LOI and formally sent a copy of the document to the IMF yesterday. The copy was sent by fax and the original documents would be sent through the mail to the IMF.

The finance chief said that with the formal signing, "we hope that within the next few days we will hear from the IMF regarding their favorable endorsement of the program."

Jayme added that the signing of the LOI, "clears the way for negotiations with the commercial banks."

However, no definite date has been set for the resumption of talks with the commercial banks, although Jayme added, "expectations are for a mid-April resumption."

At the same time, Jayme said, the Philippine government is still awaiting the reply of the Paris Club of official creditors regarding the country's request to restart negotiations. Talks with Club members have been sought as soon as the IMF headquarters approves the Philippine country program.

He admitted that the "safest assumption" for the target date for the much awaited talks would still have to be after the IMF executive board has given its stamp of approval on the country program.

IMF action on the Philippine LOI is expected this month while final IMF executive board approval is not expected until mid-May this year.

Jayne was, however, optimistic that since "we have only now really sent the LOI, we will hear from the Paris Club soon."

The signing of the LOI had been delayed from the original target date of March 15 following Congress insistence that it review and approve the LOI before is finally signed.

The LOI was thus presented to both houses of Congress and to the Cabinet.

The Cabinet "unanimously approved" the LOI while the Senate reluctantly agreed to the signing.

The LOI contains the economic targets and fiscal and monetary measures the government will implement in the next four years in exchange for a new credit facility from the IMF.

The Philippines is seeking an extended fund facility (EFF) which would entitle the country to draw \$900 million from the Fund over the three-year duration of the Fund program.

An additional \$400 million under the Fund's contingency and compensatory financing facility (CCFF) is also being sought on top of the EFF for a total financing package of P [pesos] 1.3 billion.

Aquino Prepares To Go on Lenten Retreat
HK2203101189 Manila PHILIPPINE DAILY INQUIRER
in English 21 Mar 89 pp 1, 8

[Text] President Aquino, confident of her firm grip on power, is preparing to go on retreat for the Holy Week despite the threats from leftist and rightist rebels, Malacanang officials said yesterday.

They said it has become a tradition for the President to observe the Lenten practice but her schedule was being kept secret for security reasons.

"It has been the practice never to announce her schedule. It is a practice that is not being applied only today but has been applied for a long time," one senior official who asked not to be identified said.

Last year, Ms Aquino spent her retreat with the Jesuits in Baguio. It was disrupted by a dramatic escape of cashiered Lt Col Gregorio "Gringo" Honasan from a prison ship on Black Saturday.

For the first time in many weeks, the President had a quiet day yesterday apparently to prepare for her retreat. The press office said no official callers had been listed.

For the past two years, the Holy Week had been marred by attempted coups and other actions by rightist groups to destabilize the government.

In 1987, also on Black Saturday, PC [Philippine Constabulary] Maj Reynaldo Cabauatan led a group of renegade soldiers in an attempt to take over Fort Bonifacio as part of a move to topple the government.

Soldiers put down the mutiny after several hours, killing one rebel soldier. Cabauatan who later went into hiding was captured last March 10.

One senior Malacanang official said the government was not worried about any "untoward incident" this coming Holy Week because of the improved conditions in the country.

"All these talks about coups are nothing," the official said.

"We know that the only way to get rid of the President is to assassinate her. You cannot topple her now," the official added.

Aquino 'Ready To Reconcile' With Laurel
HK2203104789 Quezon City Radyo ng Bayan
in Tagalog 1000 GMT 22 Mar 89

[Text] President Corazon Aquino today stressed that she was ready to reconcile with anyone. This was her reaction to a statement by Vice President Salvador Laurel yesterday that he would like to reconcile with the president for the sake of the country's development. The full details from Sel Baesa:

[Begin recording] The president expressed this view personally, stressing that: I am ready for a reconciliation. She made this statement in response to a declaration yesterday by Vice President Salvador Laurel that he was amenable to a reconciliation with the president.

Both Mrs Aquino and Mr Laurel attended yesterday's Philippine Army anniversary rites.

In an ambush interview this morning, the president told palace reporters: I am in favor of reconciliation but I do not know how to bring this about. [end recording]

Meanwhile, from Malacanang, the president urged the Filipino people to come together to pray for the well-being of the country. Here is her Easter message:

[Begin Aquino recording in English] Well, this is time for a great deal of prayers on all our part, especially on the officials of this land. Let us think of ways and means whereby we can improve the lives of our people, praying to God for the help. It is certainly very much needed in this country. And I would like to wish all of our countrymen the very best this Easter. And let us all pray together and work together. [end recording]

Laurel Seeks Review of Use of American Firm
HK2403030389 Manila PHILIPPINE DAILY
GLOBE in English 24 Mar 89 p 3

[By staff writer Ros Manlangit]

[Excerpt] The camp of Vice President Salvador Laurel sought yesterday a government review of the public relations [PR]-lobby contract between a local coconut bloc and an American firm—Reichler, Appelbaum and Wippman—because of the latter's reported involvement with the Marxist Sandinista government in Nicaragua.

Ike Gutierrez, Laurel's spokesman, said in a statement to the GLOBE that the U.S. firm's interplay with the interests of both governments (Philippines and Nicaragua) could possibly harm Philippine interests rather than produce the desired results.

The spokesman also said that Laurel's group was aware of the "not-so-good" reputation of the firm in the U.S. industry. He however would not bare adverse reports against the firm saying the Aquino administration has the duty to source them out.

Gutierrez, at the same time, disputed insinuations from Malacanang that the Laurel-led political opposition was involved in "black propaganda" or destabilization plots against the Aquino administration when it similarly engaged the services of Black, Manafort, Stone and Kelly, another U.S. firm also in PR and lobby business.

President Aquino last Tuesday said that "black propaganda" efforts of the political opposition justified the hiring of a number of U.S. based PR firms to promote the interests of her government. Mrs. Aquino, however, declined to answer categorically queries if she had indeed allowed a number of government agencies to hire foreign PR firms. [passage omitted]

Comelec Defers Polls in Eight Barangays
HK2003122589 Quezon City Sports Radio 738
in English 1100 GMT 20 Mar 89

[Text] Elections in some eight barangays in Davao and Cagayan were called off today, 7 days before the March 28 polls. It was the first poll deferment order by the Commission on Election [Comelec]. Comelec officials described the peace and order situation in Rizal, Santa Cruz, Davao del Sur and seven barangays in Tuzo, Cagayan as very critical.

The poll body based its decision on reports by the military's regional command and Comelec's registrars which warned of possible violence in those areas.

Official Forsees Peaceful Poll
HK2103050789 Quezon City Radyo ng Bayan
in Tagalog 0400 GMT 21 Mar 89

[Text] Local Government Secretary Luis Santos is confident that the coming barangay elections will be peaceful. Santos said it is possible that there will be some trouble, however, he said such occurrences are a regular feature of any political exercise. But he said none of this will affect the results of the coming election. Santos said that among possible incidents, most will involve charges of cheating and harassment.

Meanwhile, reports that some areas in Metro Manila are not under the influence of the NPA were relayed to the Local Government Department by the military. Marilu Linggad has the details:

[Begin recording] According to Local Government Secretary Luis Santos, this fact was reported by the military. However, he said that his department is not recommending that the barangay election be suspended in those areas because the government believes in the people's democratic right to choose those for whom they will vote. Santos said the government will carry on with the election, on condition that no violent incidents take place. He also expressed the belief that the election will be a peaceful one. [end recording]

Some Elections May Be Suspended
HK2203022189 Manila Far East Broadcasting Company
in English 2300 GMT 21 Mar 89

[Text] Elections may be called off in barangays where there are no candidates, or where candidates have withdrawn or are about to withdraw because of threats by insurgents or other armed groups. The Comelec [Commission on Elections] said it might be forced to cancel the barangay polls in those areas, in the wake of reports that community leaders were being forced by the New People's Army not to run for election.

Meanwhile, the Commission on Elections has formed a special task force for each of the country's 14 regions to ensure the effective enforcement and implementation of all laws, rules and regulations governing the March 28 barangay polls. Comelec Chairman Hilario Davide Jr said the poll body has approved a resolution which [words indistinct] special regional task forces with securing compliance by all parties concerned with all directives and orders the Comelec would issue from time to time to ensure the holding of a free, orderly, honest, peaceful and credible barangay election. Davide said each of the special task forces will be headed by a Comelec commissioner and shall be established in every region of the country, including the Cordilleras and the national capital region.

Albay Commander Views Counterinsurgency Strategy
HK2203045389 Manila MANILA BULLETIN
in English 22 Mar 89 p 18

[By Ben Villaluz]

[Text] Legazpi City—Lt. Col. Meynardo Beltran, Albay PC [Philippine Constabulary] commander and police superintendent of this province, said recently that a counter-insurgency strategy called "three-tiered defense system" seeking to stop the growing insurgency problem in the province will start this year.

Beltran said the strategy calls for the involvement of military mobile forces, the territorial forces, and the civilian volunteer organizations.

The military mobile forces are composed of fully armed and trained AFP [Armed Forces of the Philippines] units assigned to the province and backed up by air and naval support.

The territorial forces are composed of local PC and INP [Integrated National Police] units, including the Civilian Armed Forces Geographical Units (CAFGU), while the civilian volunteer organizations are composed of civilians who volunteer to help the military like the Bantay-Bayan [Civilian volunteer groups] Beltran said.

He said the "three-tiered defense system" has four phases of operational strategy. These are Phase I or the clearing phase which calls for massive military operations in identified insurgency-influenced areas to cut off the NPA [New People's Army] stronghold.

Phase II or the holding phase calls for the safeguarding of the target areas against the possible re-entry of the NPAs through the maintenance of military in the barangays.

Phase III or the consolidation phase includes the participation of local residents in civilian-military operations and the implementation of urgent government services needed in the target areas.

Phase IV or the development phase calls for the implementation of high-impact and long-term development projects involving government agencies.

'Shouting War' Supplements Military Conflict
HK2203154889 Manila THE MANILA CHRONICLE
in English 17 Mar 89 p 6

[By Pat Melliza and Bobby Tuazon, Philippine News and Features]

[Text] Iloilo City—As the Philippine military braces for another round of guerrilla offensives marking the 20th anniversary of the New People's Army (NPA) on March 29, a different kind of war—a "shouting war"—between the two sides is supplementing the armed conflict.

The tit-for-tat propaganda battle over the country's airwaves and newspapers has intensified today as both sides in the armed confrontation try to win over the people's "hearts and minds." The guerrillas' political umbrella, the National Democratic Front (NDF), has engaged anti-communist and pro-military mediamen in the propaganda war in defiance of a military ban on NDF statements on the airlines, accusing alleged military broadcasters of being "liars."

One such world war is that between the NDF's "news and information bureau [NIB]" and three broadcasters of DYFM Radyo Bombo on Panay Island.

The running debate between the NIB and DYFM's area manager Severino Arcones and his two anchormen began in 1986 when anti-communist propaganda flooded the national media and Jun Pala, Davao City's anti-communist vigilante organizer and broadcaster, was burning the airwaves with his anti-communist tirades.

The NDF-Panay radiomen tussle surfaced again, sparked by a statement of NDF-Eastern Panay spokesman Ka [comrade] Servando 'Nimrod' Magtanggol bannered by a local weekly calling Arcones and others "partners of Gen Jarque in the dissemination of lies."

(Brig Gen Raymundo Jarque is Panay island's commander and chief of the Philippine Army's 302nd Brigade.)

Magtanggol also said they were "members of the CIA-funded Diamen," a covert media group reportedly tasked with churning out anti-communist propaganda. (Launched by the military in 1987, "Operation: Diadem," or operation media allegedly paid off broadcasters in several radio stations in Negros and Panay islands to engage in counter-insurgency propaganda).

Gen Jarque immediately denied any link with Arcones and his men. In a local TV interview, he also chided some reporters for airing news releases from the New People's Army (NPA). "I think they need to be investigated," he said.

Arcones, meanwhile, who carries a handgun "for self-defense," said, "I know the CPP [Communist Party of the Philippines]/NPA want to eliminate me because I have been exposing their terroristic activities, the people will judge who is lying."

Last week, the NIB spokesman disputed the DYFM radiomen's denial. "While they deny they are being used by the military, their practices coincide with the standard method employed by the military in manipulating public opinion through the mass media," said the NIB spokesman in a statement.

The NIB spokesman cited excerpts from an article, 'Tips to Commanders: Beating the Communists in Propaganda Warfare' ('NAFP [New Armed Forces of the Philippines] Bulletin,' Nov 17, 1986) which supposedly confirmed widespread military-inspired media propaganda.

The article enjoined military propagandists to use "half truths" and "rumors": "Use half truths... in a manner that will be perceived by the masses as full truth... The NAFP should be skilled and trained to spread rumors that will demoralize the CPP/NPA and encourage people to side with the Armed Forces."

The NIB spokesman cited eight cases to prove how the alleged "team-up" between the Panay military and the DYFM broadcasters worked.

Muslim Group Favors 2-Year Transition Period
HK2103113389 Quezon City Radyo GMA 7
Radio-Television Arts Network in Tagalog 1030 GMT
21 Mar 89

[From "GMA News" program]

[Text] The Bangsa Moro [Moro Homeland] Islamic Party [BMIP] today expressed support for Senator Santanina Rasul's proposal for a 2-year transition period before holding a plebiscite on the autonomy act for Muslim Mindanao. BMIP Chairman Datu Firdausi Abbas in a news conference said that the transition period is important in order to relay to everyone in Mindanao all the issues involving the autonomy act. Abbas also stressed that the government's openness will be shown in its dialogue with the Muslim rebel front that favors the transition period. He added that when the time comes for the talks, the MNLF [Moro National Liberation Front] membership issue will be suspended in the Organization of Islamic Conference.

Thailand

Hills Letter To List Targets for Retaliation
BK2403031389 Bangkok THE NATION in English
24 Mar 89 p 2

[By Witsanu Cholitkun]

[Text] Thailand has been listed among seven countries the United States considers to be priority targets for punitive trade retaliation, according to Thai Commerce Ministry reports.

Damrong Intharamisap, Thai commercial counsellor in Washington, reported to Bangkok earlier this week that on March 3, Carla Hills, the new US Trade Representative, included Thailand in a list of priority countries in letter to a leading private sector lobbyist seeking retaliation against countries that fail to protect intellectual property rights.

Hills was replying to a letter from Gerald J. Mossinghoff, president of the US Pharmaceuticals Manufacturers' Association. The seven countries she named, according to Damrong, were: Brazil, Thailand, India, Chile, Argentina, Mexico and South Korea. She is said to have put South Korea top of the list for failure to provide patent protection for pharmaceuticals, one of the main deadlocked issues in Thai-US trade negotiations.

Thai Commerce Minister Subin Pinkhayan said yesterday Damrong's message is being treated with utmost importance. Deputy Prime Minister Phong Sarasin has been informed, he said. Commerce Ministry officials are said to be studying tensely the implications of the message. They are said to feel that Thailand has little room to manoeuvre if retaliation, due to be announced finally by May 31, is to be avoided.

The American drug manufacturers have been lobbying for retaliation against Thailand and other countries that do not provide patent protection for pharmaceuticals.

According to a highly placed Commerce Ministry source, the Thai government is trying to set up talks as soon as possible with the US Pharmaceuticals Manufacturers' Association in order to reduce the likelihood of trade retaliation.

The talks would be aimed at attempting to reach agreement by April 30, the date when Hills is due to make her recommendation to President Bush on actions against countries considered to be major offenders.

Under Section 301 of the US trade law, Washington could impose punitive and prohibitive import duties on Thai exports if Thailand is on the list.

According to the source, Deputy Prime Minister Phong Sarasin's Foreign Economic Policy Committee has assigned Dr Phakdi Photisiri, deputy secretary of the Food and Drug Administration, to travel to Washington in order to make unofficial contacts with representatives of the American drug-makers association.

Phakdi's mission, the source said, is to see if agreement can be reached on a temporary means of preventing new drugs being copied and sold in Thailand without the authority of the original manufacturer.

This was one of the most serious sticking points when Thai-US talks broke down in December, leading to President Ronald Reagan's announcement on his last day in office, that eight Thai exports would no longer be exempt import duty under the US Generalized System of Preferences.

Thai and US negotiators could not agree on temporary licensing measures that would amount [to] giving patent protection and would be used until Thai patent law is amended. They also disagreed on the appropriate timing for new legislation.

According to the source, Thai officials are considering a relaxation in the original position adopted by the Thai Food and Drug Administration.

The Thai FDA was prepared to alter the licensing process for new drugs by requiring all companies to test the drugs in Thailand to see whether the effects are the same on Thais as on people from other countries.

Health officials argued that this could provide protection against copying for about 18 months because the inventing companies would have the advantage of having already conducted tests abroad and of greater financial resources. They said these "bioequivalence" tests would also improve safety for Thai consumers.

The Americans sought a different means of delaying licensing for copies for about five years.

The source said Thailand is now considering increasing the length of temporary protection, in the hope that agreement would allow Thailand to escape from retaliation under Section 301 of the Omnibus Trade Act—retaliation that could be severer than the effects of the January withdrawal of GSP privileges from the eight Thai products.

Prime Minister Chatchai Chunhawan's decision to restrict the powers of his advisers is seen as a means of reaching agreement, according to the source. Previously the advisers adopted a harder line against the United States, that brought them into conflict with commerce Ministry officials and Deputy Prime Minister Pong.

The main fear now, the source said, is that the United States will continue the pressure for Thailand to change its patent law. The Americans want legislation by the end of next year. Thailand would prefer a deadline of three years after the end of the Uruguay Round of multilateral trade talks so that more time is available and so that Thai law could be tailored to whatever is agreed for intellectual property in the round.

According to the source, Commerce Ministry officials are trying to weigh up the relative interests of drug manufacturers, consumers and exporters of the goods that could be hit by reprisals.

Chatchai's advisers argued that the effects of US retaliation would not be as serious as officials feared, either because the seriousness of the retaliation itself was exaggerated or because political considerations would prevent the US agencies causing too much damage to Thai trade.

U.S. Retaliation Anticipated

BK1803011989 Bangkok THE NATION in English
18 Mar 89 pp 1, 2

[Text] The committee on international trade policy will meet on Monday to map out measures to help Thailand steer clear of the looming US trade retaliation, Deputy Prime Minister Phong Sarasin said yesterday.

Phong said the committee will submit its proposals on the issue to Prime Minister Chatchai Chunhawan and the Cabinet for consideration.

Phong commented that Thailand should allow import of foreign cigarettes to strengthen Thailand's negotiating position with the US on bilateral trade disputes. Such a move, he said, will enable Thai negotiators to convince the US that Thailand should not face trade retaliation which the US administration may use to defend its interests under Section 301 of the Omnibus Trade Act.

"The government should take a flexible stand in dealing with the US on bilateral trade frictions. Sometimes we need to play it soft," he said.

Scrapping the ban should not be taken as a Thai concession, he said.

The United States has asked Thailand to lift the ban and there is growing apprehension that American cigarette companies may file a petition with the US Trade Representative [USTR], accusing Thailand of not allowing US goods market access.

Foreign Ministry sources had earlier reported that the US Pharmaceutical Manufacturers Association (PMA) and the International Intellectual Property Alliance recently urged the USTR to mark Thailand as one of the five possible targets for trade retaliation for "unfair trade practices."

He also questioned Deputy Public Health Minister Suthat Ngoenmun's stand, who contended that scrapping the ban on foreign cigarette imports would go against the government's anti-smoking campaign.

"It (lifting the ban) has nothing to do with the anti-smoking campaign which we can continue. After all, we cannot force anybody to stop smoking. They have the right to make their own choice," he said.

Phong said lifting the ban would also earn the government more revenue because many smokers have now cultivated a taste for foreign cigarettes which have been mostly smuggled into the country.

"We must legalize it instead of going for nothing," he said.

The deputy prime minister said Japan and South Korea had agreed to lift the ban on cigarette imports at US request and Thailand is now the only country in the region which has not removed the barrier.

Commenting on the growing protectionist pressure that the US is applying with its trading partners, Phong said Thailand should join hands with such countries as Japan, Australia, China, and ASEAN partners within the framework of Asia-Pacific economic cooperation to increase their leverage against the trend.

Prime Minister Chatchai bore the concept in mind when he urged Chinese leaders to be more active within this framework, Phong said.

U.S. Source Cited on Aide-Memoire, Cambodia
BK2403014589 Bangkok BANGKOK POST in English
24 Mar 89 p 5

[By Phonphimol Kanchanalak in Washington]

[Text] The United States has no problem with the basic thrust of Prime Minister Chatchai Chunhawan's aide memoire, a Washington official said yesterday, adding that the US response contained positive comments on issues such as Indochinese refugees and narcotics suppression.

"Thailand and the US have a relationship which is getting more complex and (the meeting between US President George Bush and Gen Chatchai) offered an opportunity for both governments to be creative about it.

"Our purpose is to react positively to the views as put forth by Thailand," the officials told the BANGKOK POST.

"What we are trying to do is focus on the elements in the aide memoire which are most important to Thailand.

"Whatever we can respond positively to at this moment we did. The specific issues that we are having difficulty with we simply did not address at this time," said the official, citing as an example the issue of trade with Indochinese states and Burma.

"Because of the policy of the US Government to isolate Vietnam politically and economically, we do not see any scope of US involvement in the Indochinese states. Legal prohibition (to trade) is still in place with Cambodia.

"In the case of Burma, there will have to be political and economic reform in that country for the United States to go back to our assistance programme even a year ago with Burma.

"We hope that an early election in Burma will create an accepted government to the Burmese and hopefully there will be economic reform in Burma.

"But at the moment there is nothing that the US can do. So we simply did not address the issue in our response," the official said.

He pointed out that positive issues, such as cooperation on Indochinese refugees and against narcotics had been mentioned in the US response.

Outcome of Chinese-Soviet Summit Awaited
BK1803010189 Bangkok THE NATION in English
18 Mar 89 pp 1, 2

[By Adisak Limprunghatthanakit and Toemsak C. Phalanuphap]

[Text] Beijing—Prime Minister Gen Chatchai Chunhawan, conceding that "Thailand doesn't have enough influence," said here at the end of his four-day official visit to China that Thailand will cease all direct approach to Phnom Penh and Hanoi and wait for the outcome of the Sino-Soviet summit in the hope that the two superpowers will be able to make Vietnam withdraw all of its troops from Kampuchea.

"We will not do anything now....We are just a small country, not a superpower....We have asked China to continue its efforts in negotiating with the Soviet Union to get all Vietnamese troops withdrawn from Kampuchea," the premier told reporters during a news briefing at Daiyutai State Guesthouse before his departure for Bangkok in the afternoon.

However, Premier Chatchai emphasized that, based on his talks with all key Chinese leaders during his stay in Beijing, Thailand and China share identical views on every key point on how to resolve the Kampuchean conflict: a complete Vietnamese withdrawal by September, a National Union Government of Kampuchea to replace both the Coalition Government of Democratic Kampuchea and the People's Republic of Kampuchea [PRK] regime in Phnom Penh, and a cessation of all external military aid to all the four Khmer factions after complete Vietnamese withdrawal.

When Premier Chatchai called on Chinese leader Deng Xiaoping in the morning at the Great Hall of the People, Deng spent most of the 100-minute discussion talking about the Kampuchean conflict. "Kampuchea dominated the talks taking more than 90 percent of the time," said one Thai official in the meeting.

Deng emphasized the need to have a "unified front" among China, Thailand and ASEAN in continuing to put pressure on Vietnam to withdraw all of its remaining troops of about 50,000 men from Kampuchea as soon as possible. Deng also noted that China's bargaining power is not unlimited and thus the "unified front" would help in putting pressure on Vietnam too.

Asked whether this means China is unhappy with Premier Chatchai's initiative of turning battlefields of Indochina into a marketplace, the premier said China never said anything on this issue.

Premier Chatchai added that there are different ways of putting pressure on Vietnam: political means as well as economic means.

The premier's Indochina initiative was based primarily on the assumption that private trade with Vietnam and even the PRK—in spite of the tacit approval of the government there—does not undermine the position of the "unified front."

A senior Thai Foreign Ministry official noted that China has never made such distinction of separating trade from politics as far as the Kampuchean conflict is concerned. "To be fair to China, however, the Chinese have never tried to tell us what to do," the official said.

Another informed source pointed out that by emphasizing the need to continue to put pressure on Vietnam, China is indirectly sending its message to the Chatchai administration to help maintain the bargaining power of the "unified front."

China, said Premier Chatchai, is surprised by the sudden toughening of position of Vietnam with regard to the withdrawal from Kampuchea.

Asked whether ASEAN is worried by this development, Premier Chatchai said, "ASEAN may not worry but Thailand certainly is worried because we are already suffering from the Kampuchean conflict."

Turning to Sino-Thai relations, Chatchai pointed out he was the first Thai premier ever to have met all key Chinese leaders in the government and in the Communist Party during one single visit.

Premier Chatchai met with his counterpart Li Peng and paid a courtesy call on President Yang Shangkun on Wednesday, paid courtesy call on Vice President Wang Zhen and played golf with General Secretary Zhao Ziyang on Thursday, and called on Deng yesterday morning.

Premier Chatchai, who also visited China in his capacity as president of the Thai-Chinese Friendship Association, was feted along with Premier Li Peng at a luncheon at Kunlun Hotel hosted by the association where they [were] guests of honour.

Chinese Dailies View Chatchai's PRC Talks *BK1903145589*

[Editorial Report] Two Bangkok Chinese dailies—ZHONG HUA RIBAO and XING XIAN RIBAO—on 16 and 17 March carry editorials on Thai Prime Minister General Chatchai Chunhawan's talks with PRC leaders on the Cambodian issue.

ZHONG HUA RIBAO's 16 March editorial on page 5, entitled "Prime Minister Chatchai Holds that the Settlement of the Cambodian Issue Has a Good Prospect," says that the main topic of Prime Minister General Chatchai's talks with the Chinese leaders is the strengthening of Thai-Chinese economic cooperation. But, much time has been spent for discussions on the Cambodian issue, which is drawing the considerable attention of

various sides. Before leaving for China, Prime Minister Chatchai told a Bangkok-based Chinese correspondent: "Prospects for a solution to the Cambodian issue are very good," adding that "the Soviet Union and China have played very constructive roles in helping to improve prospects for peace. He also said that "he is very much confident that the forthcoming Chinese-Soviet summit will exceed all expectations in bringing about the normalization of relations between the two countries and helping to find a just and durable settlement of the Cambodian conflict."

The editorial adds a just and durable settlement of the Cambodian conflict is one of the main conditions for the normalization of Chinese-Soviet relations. It recalls China has set three conditions for the normalization of Sino-Soviet relations—the Soviet Union must withdraw its troops from the border, withdraw its troops from Afghanistan, and stop assisting Vietnam's occupation of Cambodia. The Soviet Union has finally agreed to the Chinese proposals because Soviet President Gorbachev needs a peaceful environment in pursuing the policy of reforms. With the exception of the Cambodian problem, the obstacles have already been removed. The last obstacle still remains because Vietnam still wants to continue its control over Cambodia.

The editorial notes CGDK President Prince Sihanouk said at a news conference in Beijing on 14 March that he was satisfied with the Chinese leaders' decision on having a summit meeting with Soviet leader Gorbachev. He holds that China and the Soviet Union can make valuable contributions to the settlement of the Cambodian issue and that the two countries can also do something beneficial for peace and stability in Southeast Asia. The editorial points out that Gorbachev's visit to China will not be a symbolic political visit. In addition to normalizing the Chinese-Soviet relations, the visit is also aimed at removing the remaining obstacle. The editorial concludes: "The development of the situation is like what Prime Minister Chatchai has pointed out—prospects for the settlement of the Cambodian conflict are bright. This also mainly places hopes on the Chinese-Soviet summit."

XIAN XIAN RIBAO's 17 March editorial on page 1, entitled: "Thailand and China Support Sihanouk to Lead a Quadripartite Government of Cambodia," says Chinese Premier Li Peng held talks with visiting Thai Prime Minister Chatchai in Beijing on 15 March to exchange views on the Cambodian problem, other international issues, and bilateral relations. On the same day Chinese President Yang Shangkun and dowager Deng Yingchao also received Prime Minister Chatchai. The Chinese leaders have attached great importance to his visit and extended very warm welcome to him, showing further progress of Sino-Thai relations. Chinese Premier Li Peng said during the talks with Chatchai that "the key to the Cambodian problems lies in a genuine and complete withdrawal of Vietnamese troops from Cambodia before

the end of September and the establishment of a provisional four-party coalition government headed by Prince Sihanouk." The editorial says this is the main principle of Thailand and China in seeking a political solution to the Cambodian problem. One of the main tasks of Prime Minister Chatchai's visit to China is to contribute to the call for the withdrawal of Vietnamese troops from Cambodia. During his meeting with President Yang Shangkun, Prime Minister Chatchai stressed "Thailand has not changed its position of continuing to support Prince Sihanouk and the three tripartite Cambodian resistance forces and has not recognized the Heng Samrin-Hun Sen regime, as propagated by Vietnam." The editorial quotes Premier Li Peng as saying that China and Thailand have cooperated well on the Cambodian issue and that the cooperation would continue.

The editorial concludes: "The just stands of China and Thailand on the Cambodian issue are identical, constituting just pressure on Vietnam to withdraw its troops from Cambodia. This has won the appreciation and support of the international community"

China Wants To Invest in Power Plant Project
BK2403094289 Bangkok Voice of Free Asia
in English 1500 GMT 23 Mar 89

[Text] The Chinese Government has shown keen interest in investing in a lignite-powered electricity generating plant in Lampang's Mae Mo District, Prime Minister's Office Minister Chaloe Yubamrung said yesterday.

Police Captain Chaloe, who supervises the Electricity Generating Authority of Thailand, or EGAT, said he had received a letter from China's Electricity Generating Ministry proposing construction of the power plant with a 300,000-kilowatt capacity. The Cabinet recently passed a resolution allowing the private sector to produce electricity and sell it back to EGAT and for EGAT to be listed on the Securities Exchange of Thailand [SET].

The minister said China's proposal was the first government-to-government approach on this matter. He said he forwarded the Chinese proposal to Prime Minister Chatchai Chunhawan on Tuesday and the proposal is expected to be passed on to the National Economic and Social Development Board and the EGAT board for consideration. An estimated deposit of 164 million tons of lignite has been found in Lampang's Mae Mo District, which can be used to produce electricity for local consumption for up to 50 years. Under the terms of the proposal, China would run the project for a 25-year period, Police Captain Chaloe said.

The details on investment costs are not yet known, but are believed to be not less than 7,000 million baht, he said. Mr Chaloe said he had also been approached by some private firms but had turned [down] their proposals as they had not included guarantees.

Finance Minister Pramuan Suphawas said the Chinese proposal was interesting. As to the idea of listing EGAT on the SET, he said it was not easy to have it listed like other state enterprises because careful consideration is needed in EGAT's case as it could endanger national security.

Paper Welcomes Talks With Laos on Security
BK1503013589 Bangkok THE NATION in English
15 Mar 89 p 8

[Editorial: "Security" New Dimension of Thai-Lao Cooperation"]

[Text] For the first time Thailand and Laos have begun to talk seriously about bilateral cooperation in security matters—in particular, about the shared work of safeguarding their common border.

At the second round of Thai-Lao border talks, which ended on Monday in Phatthaya, both Deputy Foreign Minister Praphat Limpaphan and his Laotian counterpart Souban Salithilal expressed satisfaction with meetings aimed at ending a demarcation dispute at Ban Rom Klao.

Laos also agreed to take back, on a voluntary basis, 80,000 Laotian refugees who had been stranded in Thai territory for years. With Laos' full cooperation, future repatriations through the United Nations High Commissioner for Refugees could prove effective.

In recent months, Thai-Lao relations have progressed and matured rapidly. The thaw has all but ended an era characterized by propaganda and mudslinging, from both sides of the Mekong River. Booming trade and cultural exchanges, together with the diplomatic contacts, have become the order of the day.

But Souban's post-meeting comments revealed a lingering Lao suspicion towards the Thais, particularly towards Thailand's alleged connection to Laotian rightist groups based along the Thai-Lao border.

Vientiane is anxious for proof that Thailand intends to deal seriously with the extremist groups. In the past, with the two countries at odds, officials turned a blind eye towards the rightists' forays inside Laos. Now that the two countries enjoy improved relations, Thailand must demonstrate its goodwill and sincerity by assuring Laos that the Laotian exiles cannot pose a security threat in the future. A less than total Thai commitment could hamper the progress achieved thus far.

The kidnapping of a Japanese businessman early this month was clearly the work of Thailand-based Laotian rightist groups, whose objectives probably included the discrediting and destabilization of the Lao government. Fortunately, Thai policemen managed to free the captive promptly, before the incident could damage bilateral relations.

Souban was frank in saying that security and stability within the country remain crucial for his country's effort to bring economic development and a better life to 3.5 million Laotians. As one of Laos' closer neighbours, Thailand should do what it can to convince the Lao government that it intends to play a positive role in Lao security and stability. In the final analysis, a peaceful Laos is a crucial element in Thailand's own security.

Commentary Assesses Cooperation

BK1903060089 Bangkok *THE NATION* in English
19 Mar 89 pp 6, 7

[By Atthawibun Sisuworanan in Phatthaya]

[Text] Laos' Deputy Foreign Minister Souban Salitthilat sprang a surprise on his Thai counterpart, Praphat Limpaphan, when he asked Praphat for help in apprehending a gang that had kidnapped a Japanese businessman in Vientiane earlier this month.

The two had met in Phatthaya as heads of a Thai-Lao Joint Border Committee, which conducted its second two-day meeting to formulate guidelines for its technical subcommittee. The subcommittee has been set up to settle the dispute over territory between Thailand's Ban Romklao in Phitsanulok Province and Laos' Boten town in Sayaboury.

But during the meeting, both the Thai and Laotian sides touched on other issues. Both sides discussed other issues as well. They were successful in agreeing on a wide range of issues, from economic cooperation to the repatriation programme involving some 80,000 Laotian refugees in Thailand.

Souban's request for help in the kidnapping case, however, made it apparent for the first time the need for Thailand and Laos to cooperate more on security matters.

The kidnappers involved in the case brought up by Souban are thought to be Laotian refugees from camps in Thailand. They are thought to have sneaked back across the border where they then kidnapped a Japanese businessman.

Apart from asking Thailand to strengthen its security in refugee camps to prevent refugees from sneaking back across the border to commit crimes in Laos, Souban also demanded that the Laotian suspects involved in the Asao kidnapping case be repatriated to Vientiane for interrogation and possible prosecution.

Souban clearly suggested that cooperation on this case should lead to a comprehensive agreement on security interests between Thailand and Laos in the near future.

Souban told *THE NATION* in an exclusive interview in Phatthaya that, given the rapidly growing economic ties between the two countries, the leaders of both sides should start to cooperate on security matter in order to ensure the smooth progress of friendship between the two countries.

He warned that a repetition of the kidnapping case might ruin the excellent atmosphere of bilateral ties and create distrust between the two countries.

Elaborating on the kidnapping case, Souban said such an incident could conceivably lead to a diplomatic crisis, especially if the Japanese businessman who was kidnapped had been killed.

"In such a case, the Japanese government might think that the Thai government was not willing to assist, Thailand might kick the ball back saying that the kidnapping took place in Laos, while Laos might think that Thailand intended to let the businessman be killed to discredit Laotian authority," Souban said.

Souban's initiative in asking Thailand for cooperation in settling the case apparently caught the Thai side off guard. At the meeting in Phatthaya, Praphat just accepted the proposal for further consideration, while Pol Gen Sawaeng Thirasawat, head of the task force responsible for the case, flatly turned down the Laotian request, saying that the two countries had no agreement on criminal repatriation.

To maintain security along its borders with neighbouring countries, Thailand has bilateral agreements with Malaysia and Burma. Thailand has cooperated with Malaysia for more than two decades in joint military operations to suppress insurgent activities by both communist and Muslim separatist movements.

With Burma, Thailand's toughened policy on Burmese ethnic minority rebels has helped the Thai government to forge a better relationship with the government in Rangoon.

But to have cooperation with Laos or any other Indochinese state on security matters is tantamount to Thailand reviewing all of its principles and doctrines underlining national strategy, moulded and solidified since Vietnamese troops invaded and occupied Kampuchea in 1970.

Souban, however, insisted that the time had come for Thailand to reconsider its stand. He cited Prime Minister Chatchai Chunhawan's policy of turning battle fields in Indochina into marketplaces to promote trade and how this has already led to vastly improved relations between Thailand and Laos.

As a matter of fact, he said, there has been contact and cooperation between the Thai and Laotian military and local authorities, since the ceasefire agreement over the

Ban Romklao border fighting in mid-1988. This contact has been successful in preventing minor conflicts from developing into large-scale military confrontations.

The initial cooperation had, indeed, developed into close ties between the two armies, with Thai military actually helping the Laotian army to develop agriculture and forestry projects.

Laos has also sent some of its army officers to study military science in Bangkok.

Moreover, local authorities from both sides have already cooperated with each other in maintaining order and in solving minor crimes along the common border.

Given that such cooperation already exists between the two countries on an informal basis Souban said that it was time both sides came up with a formal agreement to combat and control insurgent activities across their common border.

"As both countries have a stake in the growing trade and investment between us, both Thai and Laotian leaders should sit down and talk about (a security agreement) in the near future," Souban urged.

Nirun Phanuphong, Thailand's ambassador to Vientiane, also confirmed that at present Thai investors in the land-locked country were at the top of the list of foreign investors. Sixty per cent of all foreign investment in Laos is Thai, with Japan, Australia, West Germany and Russia coming next.

Nirun said the amount of Thai investment is expected to increase even more because of the Laotian government's plans to pass two additional laws on investment this month which will boost the confidence of foreign investors.

Analysts on Thai-Lao relations say that the Thai government had two alternatives in response to Laos' challenging request: One is to postpone the decision by using the Kampuchean settlement as a pre-condition for cooperation with Laos or any other Indochinese country. The other is to cooperate with Laos on a case by case basis.

Nevertheless, Thailand's security authorities were compelled to review the current state of affairs pertaining to security matters between Thailand and Laos.

THAI, SRV Airlines 'To Step Up Flights'
*BK1603023789 Bangkok BANGKOK POST in English
16 Mar 89 p 8*

[Text] The national airlines of Thailand and Vietnam have agreed to step up flights between the two countries to meet burgeoning demand, a senior Thai Airways International [THAI] official said yesterday.

"Judging from the needs of the market we believe there will be enough passengers to justify daily flights," said Naret Howatthanakun, vice president for marketing of THAI.

Mr Naret told UNITED PRESS INTERNATIONAL in a telephone interview that the current level of four flights weekly by each airline would be increased to seven flights weekly for each airline beginning whenever the airlines are ready. There will be no limit on the size of the aircraft, he said.

THAI Airways flies Airbus and Boeing 737s to Vietnam while Vietnam Airways uses Soviet-built Tu-13 airliners.

Mr Naret, who returned this week from talks in Hanoi, said THAI Airways would begin increasing flights from May 1 with one additional flight to Hanoi and another additional flight per week to Ho Chi Minh City (Saigon).

A surge of business and tourist visitors to Vietnam has resulted in flights being fully booked for weeks.

Vietnam recently made it easier for Vietnamese living abroad to make visits to their homeland.

At the same time it has opened up its economy for foreign investment with a new liberal foreign investment law, attracting hundreds of business delegations.

Mr Naret said Vietnam Airlines recognised Thailand's experience in air service management and proposed a joint venture in flight kitchen, ground handling and duty-free shopping services.

"We are ready, but we have to discuss further details before any agreement can be reached on joint ventures," he said.

Prapahat's Upcoming Visit to Burma Previewed
*BK2303005589 Bangkok THE NATION in English
23 Mar 89 p 3*

[Text] Deputy Foreign Minister Prapahat Limpaphan is scheduled to lead what will be the largest Thai official delegation to visit Burma next month for talks on various issues ranging from border demarcation to trade and business cooperation.

Speaking in an interview yesterday, Prapahat said about 40 officials from the Agriculture and Cooperatives, Commerce, Foreign, Industry, Interior, and Public Health ministries will accompany him on the trip.

He said the trip is basically designed to lay the groundwork for future talks and cooperation between the two countries.

He said Burma has put forth two economic and trade agreements—one for government-to-government cooperation, and the other for private dealings.

Praphat said he plans to request Burmese authorities to officially open three permanent border checkpoints, opposite Thailand's Mae Sai in Chiang Rai, Tak's Mae Sot District and Ranong, for crossborder trade between people of the two countries

He added that Thailand has already opened nine border checkpoints for transportation of logs to be imported from Burma and about 10 more sites would be opened soon.

On border demarcation, Prapaht said he would hand Rangoon an aide memoire on the completion of demarcation of 58-km Mae Sai-Nam Ruak rivers sector and both sides would hold talks on the new 50-Km delineation project of the Moei river starting 25-km south of Burma's border town of Myawadi opposite Mae Sot.

He said the two countries in delineating the boundary have adhered to the form of fixed boundary using the deepest at the time of the survey as Thai-Burmese boundary, the form of which would prevent any problem arising from the two rivers changing their courses in the future. [sentence as published] Both countries can utilize the water resource in the two rivers for irrigational activities and for transportation and navigation, he added.

The minister said he will discuss with Burma proposed construction of a Baht 80-million bridge linking Myawadi and Mae Sot and of two highways from Myawadi to Rangoon and from Mae Sai to the Chinese border in northern Burma. He said the bridge project would be financed either by the governments of the two countries or a third country, or by the Economic and Social Commission for Asia and the Pacific (ESCAP).

Praphat said the finance officials accompanying him on the trip will take the opportunity to hold talks with their Burmese counterparts on customs issues as well as the border checkpoints; the public health officials on joint medical cooperation; the industry officials on joint industrial ventures, agriculture officials on joint academic and technical cooperation.

"I make the trip to Burma not to buy anything, but to lay the groundwork for future talks and to promote future cooperation and developments in various fields," said the minister.

Praphat had earlier planned to visit Burma last November but suspended it because of strong public opposition.

Praphat, who claimed to be the first deputy foreign minister to have been invited by the Saw Maung government to visit Rangoon since it took power in a bloody coup last September, claimed the situation in Burma has returned to normal and the time is appropriate for him to make the trip.

He also quoted Prime Minister Chatchai Chunhawan as telling the Cabinet members during the last Cabinet meeting that efforts should be made to promote friendship with Burma and Laos.

"The Thai foreign policy is to be friend with every neighbouring country. And we (Thailand) have long recognized Burma," he said.

French Ambassador on Chatchai's Indochina Policy
BK2003011589 Bangkok THE NATION in English
20 Mar 89 p 4

["Exclusive interview" with French Ambassador to Thailand Ivan Bastouil, held in Bangkok "Over the Weekend"]

[Text] French Ambassador to Thailand Ivan Bastouil said he sees 'light at the end of the tunnel' for peace in Kampuchea. Thai Premier Chatchai Chunhawan's "blitzkrieg diplomacy," he said, will produce positive results, making Thailand the "springboard" for foreign businessmen eyeing Indochina as a potential investment area.

"There are of course limits as to how much such blitzkrieg diplomacy can achieve. Thailand will have to take into consideration the impact of its policy on neighbouring countries as well as the international scene. But Prime Minister Chatchai has provided a fresh breakaway from the old mould. And that's encouraging," the envoy said.

The envoy defined what he described as "blitzkrieg diplomacy" as one which breaks away from the traditional practice and trying to move ahead rapidly to catch up with the fast-changing world environment.

Bastouil was France's ambassador to Vietnam between 1982-86 during which he developed close contacts with the Vietnamese leaders. He was posted to Bangkok in late 1986.

France, he said, is ready to contribute to the search for a solution on Kampuchea. "We are ready to provide the venue for meetings for the various Khmer factions. And we may be in a position to work with other countries to provide a package of assistance to Kampuchea once peace is achieved," he said. But he ruled out the possibility of France's becoming member of the proposed International Control Commission in Kampuchea.

The body has been proposed as a mechanism of supervising the Vietnamese troop withdrawal and the holding of an election.

The ambassador said he personally believes that Prince Norodom Sihanouk, leader of the Khmer resistance force, and Hun Sen, leader of the Phnom Penh regime, will have to deal with each other to arrive at a workable peace formula. "Who knows—they may meet in Bangkok for that major breakthrough?" the envoy suggested.

The envoy is confident that "some kind of a political breakthrough" on the Kampuchea issue should emerge "within this year."

Once Vietnam pulls out its troops from Kampuchea, the peace process will accelerate, he added. The United States may begin to intensify its relations with Hanoi once the troop pullout starts. "And I wouldn't be surprised if, before the end of the year, Washington has some kind of representation in Hanoi if all the positive signs we see materialize," the envoy said.

Vietnam is in need of foreign assistance to rehabilitate its ailing economy and once its troop withdrawal from Kampuchea starts, Hanoi will be in a better position to discuss aid and trade with other countries.

"I have advised many French businessmen who intend to invest in Indochina to set up their offices in Thailand which will serve as the springboard. They shouldn't jump right into Indochina. Thailand is the right place to set up their base," the ambassador said.

"The French are coming!" he intoned, adding that the number of French tourists to Thailand has jumped dramatically from about 40,000 a few years ago to over 160,000 last year. The number is expected to continue to rise this year.

The ambassador said the upsurge of French tourists to Thailand probably began when Thailand launched its "Visit Thailand Year" campaign three years ago. Since then, the demand for French-speaking hotel employees has been on the rise and Alliance Francaise has set up two branches in Phuket and one in Phatthaya.

"In France, Thai cuisine has also become very popular. Suddenly, Thai restaurants are springing up everywhere and even Vietnamese, Laotian or Khmer restaurants are trying to give the appearance that they are Thai restaurants," he said.

Air France, working closely with Thai International, has stepped up its flight frequency to Thailand, to cope with the rising demand, he said. "And it's very hard to get seats on flights to and from Thailand nowadays," he said.

Officer Views Losses From Security Operations
*BK1803122189 Bangkok First Army Division Radio
in Thai 2300 GMT 16 Mar 89*

[From "Army Meets the People" feature—recorded statement by Deputy Army Commander in Chief General Wanchai Ruangtrakun on the 23 March royal cremation for military and civilian officials killed in border defense and antiinsurgency operations; date not given]

[Excerpt] [Passage omitted] This year there are altogether 165 officials to be cremated. The number includes volunteers, ranger volunteers, policemen, army and navy officials. Most are from the Army. I would like to classify them into two categories. First, they are officials killed in defense of national sovereignty along the border. Another group are those killed in antiinsurgency operations.

Concerning losses from internal security operations, the highest figure on record was in 1978 when we lost 774 officials killed in suppression operations against communist terrorists, southern separatists and guerrillas of the Communist Party of Malaya. Since that year, the number has declined, especially after the government introduced its Policy 66/23 to fight communism. Last year, we suffered only 17 killed, and this year only 7 killed. We could say that the situation has improved. Prime Minister General Chatchai Chunhawan, who is also director of the Communist Suppression Command, has proclaimed a policy to promote democracy and develop the poor rural areas to create jobs and improve social conditions for the rural people. We therefore believe that we will make greater achievements in the coming years and will suffer no more officials killed.

Concerning those killed in border defense operations, this year we have 158 killed, more than last year when we had only 140 killed. The increase was the result of the border incident at Ban Romklao where we suffered 117 soldiers killed, and at the Cambodian border where we had 40 men killed. I believe that the prime minister's policy to improve relations with the Indochinese countries and to turn a war zone into a trade zone, as well as to forge better relations between armies, will eventually bring to an end the armed fighting and killing to solve conflicts. I hope that we will be able to enjoy peace in the coming years and engage more fully in national development.

This is a general summing up for you. Of the 165 killed this year, there is only one civilian volunteer. The rest are: 40 ranger volunteers, 6 policemen, 116 armymen, and 2 navymen. There are two Muslims. They will be honored in a separate ceremony each at the same time in Pattani and Narathiwat Provinces.

Feature Views Existence of Communist Threat
*BK2403112589 Bangkok First Army Division Radio
in Thai 2300 GMT 22 Mar 89*

[“Sayamanusati” feature]

[Excerpt] The “Sayamanusati” feature recently received information from a reliable source on the movement of the Communist Party of Thailand, or CPT. The CPT is

relentlessly pursuing its struggle to revolutionize Thailand. It is a mistake to assume that the communists have been eliminated from Thailand, or to accuse those talking about communist danger of being old-fashioned. That line of thinking is wrong. A communist threat against national security should not be underestimated.

In order to correct such a misunderstanding, our program would like to talk about the movement of the CPT today.

Our source reported that the government's successes in the campaign against the war of revolution waged by the CPT has misled civil servants and people in general into thinking that the danger of communists has been removed. This is an underestimation. Our source knows that the communists' struggle is a protracted strategy. The communists can put up with this struggle no matter how long it lasts—10 years or more. They will not give up the struggle. They will lie in wait for the right time and the right opportunity to strike.

Our source has been keeping a close watch on the CPT activities. As a result, it has discovered that the present CPT general secretary is a Thai of Vietnamese origin who travels back and forth between Thailand, Vietnam, and Laos all the time. He is in charge of coordinating work with the communist parties of China, Vietnam, and Laos by exploiting the improving trend in international relations. The communists have scaled down the struggle through violence, but have been trying to establish friendship with free world countries. They managed to more or less solve the problem of discrimination and crisis of confidence against communism. The communist internationalists have reached an agreement to solve the problem of their conflicts.

Some of you may doubt that the communist parties of China, Vietnam, Laos, and Cambodia can still coordinate work with the CPT to subvert Thailand and turn it into a communist country now that Thailand has established good relations with those countries. We must explain to you communist internationalism. Based on this theory, communists worldwide can contact one another and support each other. In communist countries, the parties and governments are separate bodies. While the governments have friendly relations with free world countries and pledge not to support the communist parties in their countries, the parties in those communist countries are entitled to support them. There is a separation of the two bodies although government and party leaders are sometimes the same people. This is how the CPT can still receive support from the parties of communist countries as well as from communist internationalism.

The CPT has achieved a new stage in its unified movement and it is advancing steadily. It believes that the members who had conflicts with and left the party will return to the party's fold once the party line and policy of struggle is readjusted. The CPT has in fact adjusted the strategy and tactic of the struggle, but no document has

been issued because the CPT is afraid that the government might know about its activities. The CPT wants the government to continue having the illusion of a victory. In fact, the government is fully aware of everything the CPT is doing. [passage omitted]

Vietnam

Visiting Professorship Offered to U.S. Doctor
BK2403014189 Bangkok BANGKOK POST in English
24 Mar 89 p 2

[Text] Vietnam has invited an American doctor to be visiting professor at a medical training centre in Ho Chi Minh City in what is seen as a step towards improving relations with the United States.

Dr Charles Mitchell of the Maui Memorial Hospital in Hawaii said he received the request to be visiting professor in emergency and disaster medicine at the Ho Chi Minh City Health Workers' Training Centre from Duang Quang Trung, director of the Health Department.

Dr Mitchell said he last week became the first American doctor since the fall of Saigon in 1975 to be allowed to treat, examine and immunise Amerasians in Vietnam.

He said he planned to return to Vietnam in May to take up what would be a long-term programme for medical students as well as qualified doctors and nurses. It would cover adult and pediatric emergency medicine and traumatology, he said.

The latest programme involving American doctors in Vietnam was Operation Smile which took place early this year.

Dr Mitchell said he was "really excited" about the training programme as well as by being allowed to treat Amerasians during his latest trip.

"It's a real step forward. I think it will improve relations between the United States and Vietnam," he said.

Vietnam "is trying to improve things for its people and improve its image to the rest of the world," he added.

Dr Mitchell, who is medical director of the Foundation for Amerasian Children's Emergency Support, a Hawaii-based non-profit private organisation, said he was trying to draw attention to the plight of Amerasians to help speed up their departures to the US.

An estimated 5,000 Amerasians have left for the US under the Orderly Departure Programme (ODP) since 1982. US officials say there are some 8,000-12,000 Amerasians still in Vietnam, although private estimates run to 30,000.

During the March 13-20 trip to Ho Chi Minh City, Dr Mitchell examined, treated and gave immunisations to 41 Amerasians with the help of three Vietnamese physicians and three Vietnamese nurses.

He gave polio, diphtheria and tetanus vaccinations provided by an American firm. Vietnamese authorities contributed Soviet-made tetanus vaccines.

He said the patients included 25 who had been examined on earlier trips in December and January. The remaining 16 had been selected on the latest visit.

Vietnamese approval of his private, humanitarian efforts would encourage Amerasians to register for the ODP, he said.

Army Paper Notes Soviet Efforts for World Peace
BK2403084889 Hanoi VNA in English 0711 GMT
24 Mar 89

[Text] Hanoi VNA March 24—"That the Soviet Union and other socialist countries have declared their troops cut by almost one million men in the next two years has testified to their goodwill of peace and resolve to ward off the war danger," says the Army paper QUAN DOI NHAN DAN in a commentary today.

"The peace initiatives advanced by the Soviet Union have stemmed not only from its demand for economic construction but most importantly from its foreign policy of peace and its advocacy of the demilitarization of international relations.

"For three years now, in an atmosphere of new political thinking, the process of disarmament has gradually progressed in its true essence, thus contributing to easing the world tension," notes the paper, adding: "However, dangers to world peace have not been entirely eliminated. There still remain in the United States and several Western countries certain forces which are opposed to the disarmament process and wish to step up the arms race in preparation for a new war."

QUAN DOI NHAN DAN demands that the United States and other Western countries actively respond, through their practical deeds, to the goodwill of the Soviet Union and other socialist countries.

Economic Changes in Ho Chi Minh City Viewed
BK2403044989 Hanoi International Service in English
1000 GMT 23 Mar 89

[From "Talk of the Week" feature]

[Text] Economists in Ho Chi Minh City share the view that, over the past 2 years, many business enterprises and production establishments in this city of 4 million people have come into direct contact with customers, which has

helped them move into the orbit of consumer's responsiveness. In this "Talk of the Week," let's have a look at the changes in Ho Chi Minh City over the past 2 years.

The problem seems to be very simple for many foreigners but it is not easy for Vietnamese economists. Recent statistics disclosed that billions of dong—Vietnamese currency—worth of goods are being stockpiled in state stores. During the present situation, when Vietnam is facing a shortage of goods, especially consumer goods, and when imported goods are freely available, the stagnation of goods can only be attributed to the bad quality, high prices, and outmoded designs. Only with that understanding can we see the great significance of recent development of the private business sector in Ho Chi Minh City, and the biggest industrial center of the whole country now produces consumer goods and other goods for export. The fact that production establishments in Ho Chi Minh City have close contact with the market has satisfied all Vietnamese economists.

The deep-rooted cause of this development is the shifting from an economy based on state subsidies to a business operating on a cost-accounting system, the fundamental line laid out by the sixth party congress 2 years ago. The period of state subsidization for all state production enterprises where there was false profit, real losses no longer exists. Realities in urban areas show that production of any economic sector should be closely based on demand from the market. Producers and other businessmen have become aware that their production must be of good quality, effective, and profitable. State-run economic establishments such as the Thanh Cong Textile Mill, the Labor Garments Export Company of the 10th Precinct, or private production units such as the Thanh Huong Perfume Corporation, which have been referred to as examples of dynamism, all consider the understanding of home and foreign markets the number one target for long-term development. While other textile mills are coping with increasing prices of materials and in workers wages, the Thanh Cong Textile Mill has boldly invested in modern production lines, producing a series of products including fabrics and clothing which are meeting the need of domestic and foreign markets. Meanwhile, the Thanh Huong Perfume Corporation has turned out different types of products ranging from high quality to lower quality goods. As a result, its turnover has recorded a tenfold increase over its initial years of production.

There are many examples testifying to that assessment. Of course, besides these able bodies, many other enterprises including state- and private-run companies are struggling with the new market competition, and the biggest problem facing the administration now is to bring into full play the potentials of all economic sectors in Ho Chi Minh City which up until now have only been 60 percent utilized. The city's leaders have comprehended the situation and have decided to base the city's economy on an external economy. This, we think, is the right direction for Ho Chi Minh City, which used to be a center of agricultural and processing industries, the service industry, tourism, and import-export services. And this will be the topic of our talk next week.

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